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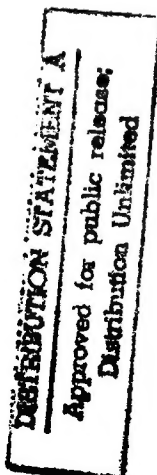
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**Columnist Acuna Says External Factors
Provoking Socioeconomic Crisis**
33480131 Buenos Aires LA PRENSA in Spanish
16 May 88 p 5

[Commentary by Carlos Manuel Acuna]

[16 May 88 p 5]

[Text] In the view of those who are familiar with the underlying causes of the social and political tensions prevailing in Argentina, it is very likely that a veritable social explosion will occur, with all the inherent ramifications. At this juncture, the situation threatens to be far more serious than the so-called "Lebanonization" that our own president predicted, using a term that served only to alarm the public rather than instill calm.

People who see the situation in this light maintain that as an additional manifestation of the crisis and decadence that grip the republic, this eventual explosion will be caused almost exclusively by economic factors, above and beyond the moral factors that lie at the very heart of the problem. It is precisely these moral issues that would have to propel and channel action along the political and institutional paths that are provided for in emergencies. But the fact is that even party leaders and leaders of all other activities appear to be overwhelmed by the circumstances. Indeed, it can be said that today we are undergoing an extraordinary crisis of leadership, and with the exceptions that always exist, politicians have also embarked on the hazardous yet compelling path of decadence that has been traveled by all sectors of national life. Perhaps this is one reason why more than 60 percent of public opinion has no electoral preference, and why it is therefore the independent sector whose vote determines who will win and who will lose, what policy will be pursued, or at least who is the most trustworthy or least untrustworthy.

The issue of the decadence of leadership and the serious erosion of faith that goes far beyond the mere fact that the president's words go unheeded, elicit adverse reactions, or simply go over people's heads, deserves separate treatment, and we will discuss it later on. But the matter cannot be sidestepped when we talk of the specific problem of the social insubordination that is surfacing. At the rate things are going, this insubordination threatens to become a veritable explosion, with unforeseeable—and of course undesirable—consequences.

Induced Explosion

We should point out, in this connection, that whenever the breeding ground expands and extends in all directions, historical experience indicates that the more acute the crises, the more difficult it is for social explosions to occur, with all the accompanying forms of violence. This is because the protagonists of these events always tend to preserve what little they have and to save what little they can use to survive, especially sources of employment.

This is why these events occur and become more dramatic when external elements intervene to guide them. In other words, political activists come in with ideological objectives and specific interests to pursue. There are abundant local and foreign examples of this phenomenon, especially in the modern world.

Today it is an open secret among us that the country is following the kind of path we are talking about, and at this point, it is even asserted that the oft-mentioned civil disobedience may quickly escalate to unimaginable levels, reaching a still more alarming dimension.

If we are looking for a concrete point of reference, we might note that aside from other isolated incidents that are not always picked up by the daily media, on the island of Tierra del Fuego a kind of revolutionary gymnastics is taking place that has nothing to do with other scandals related to multi-million-austral tax evasions in the region.

Tierra del Fuego

On the surface, the conflict appears to be focused on the Rio Grande local of the Metalworkers Union (UOM), through which strike actions have been channeled. In both form and content, these actions have all the revolutionary characteristics of such cases, that is, when the causes are entirely political.

As far as we could learn from reliable sources, the problem primarily involves five important companies in Ushuaia and 17 in Rio Grande, and the protagonists are union activists who belong to the Movement Toward Socialism (MAS), the Workers Party (PO), the Communist Party (PC), and the All for the Fatherland Movement. It is well known that the latter organization is sort of a surface structure for the Revolutionary Army of the People (ERP). Every couple of weeks, five to eight activists, selected from among novices and veterans alike, travel along different routes to the federal capital and elsewhere in the country, preferably Salta, Cordoba, Tucuman, and Greater Buenos Aires. This is not exclusive, and according to the diagram of the trips they have made, it appears that in recent weeks these extremist elements have not only pursued the specific political objective, but also conducted some sort of rehearsals and practice sessions in subversive agitation. This includes the organization of cells and picket lines, harangues, attacks on private homes and industrial plants, all kinds of sabotage, and resistance to police patrols and attacks aimed specifically at security forces.

Peronist Unionists Outmaneuvered

They have not developed any innovative methods, and in general, the conflicts arise in connection with negotiations over wage demands and are then escalated as needed. Often these demands are notoriously similar to those presented by the unions. From the standpoint of labor union politics, General Secretary Osvaldo Pizzaro

of the UOM Rio Grande local is an "orthodox Peronist" who operates under the title of "revolutionary Peronist." He has nevertheless been upstaged by the secretary of organization, Apolonio Benitez, who is fourth in the hierarchy. Benitez is identified with the MAS, although in practice he responds to the directives of the Communist Party. This detail should be given due consideration, since this pattern has been seen in other districts as well, primarily in the factory belt of Greater Buenos Aires. There the so-called "internal commissions" have been almost taken over by leaders of these extremist groups.

The process we are discussing has taken on such serious proportions today that it even points to an expansion to other areas of the labor movement (between 1980 and 1985 this population grew from 7,000 to 20,000 individuals in Rio Grande, while the overall population rose from 16,000 to 70,000 people) in what could be the beginning of a trend whose outcome can be predicted with some certainty. However, this latter assertion is just one way of portraying the situation; there are many who feel, and with reason, that the more or less immediate future will pose some tremendously difficult dilemmas, which could also be expressed another way: tragedy.

Travels of Marcelo Parrilli

Because it is sometimes necessary to look at complementary elements to interpret indicators in the proper perspective, we should point out that on 25 April, Marcelo Parrilli, that attorney cum extremist militant, went to Rio Grande. Parrilli has played a very important role in all the actions carried out by the most prominent elements of the left since the Alfonsin administration took office in December 1983. Parrilli, whose name has also been linked to the campaign to destroy the Armed Forces and Security Forces, made some very special contacts and participated in the various public celebrations designed to encourage extremist activities in Tierra del Fuego. This fact is mentioned not to make inferences, but to give an idea of how much importance the combative left attributes to fueling the problem that has been growing steadily as the ignorance of the centralists in Buenos Aires persists.

We might add that within this picture, another political event must be taken into consideration: A few days ago, the press tersely reported that the secretary of the National Committee of the Argentine section of the Communist Party, Patricio Etchegaray, had been named assistant general secretary of the organization. Thus, the steady rapprochement between the MAS and the PC became consolidated, and all of the groups adhering to this ideology joined together in the brand-new entity baptized "Argentine Solidarity with Peoples" (SAP), and in the "Multisectoral Bureau of Permanent Mobilization." The SAP is financed by the Soviet Committee of Solidarity with the Peoples of Latin America. The Multisectoral Bureau was formed a few days after Holy Week

of last year, and it claims to have the capacity to immediately mobilize between 50,000 and 70,000 people, including armed groups trained in Cuba and Nicaragua.

Which politicians have publicly expressed concern about these developments? Not Hipolito Solari Yrigoyen, whose only solution was to shut down his underground radio station "Liberacion," installed in the Radical committee of Puerto Madryn (today some 500 such radio stations are operating all over the country). But we will rephrase the question and expand on it: How many leaders, and which leaders, have publicly expressed concern about this situation, painting it in its true colors?

What will they do if the politicized social explosion occurs throughout the nation?

[19 May 88 p 9]

[Text] A few days ago we looked into the possibility that the oft-announced "social explosion" might take place. We pointed out that according to the most salient historical experiences, events of this nature can only occur when external factors intervene to provoke them for purely political purposes.

On that occasion we said, and we repeat now, that that is exactly what is going on in Argentina. We cited the example of the subversive army that is being formed on the island of Tierra del Fuego behind the screen of social and union conflicts. Going into more detail, we explained that activists of the MAS, the PO, the PC, and All for the Fatherland (the ERP) are making periodic, organized trips to Rio Grande and Ushuaia. These agents are specialists in such matters, or are apprentices who are "making war" for the first time, if you will, in that southern area that is so far from the concerns and interest of the centralists of the capital.

Today we are in a position to expand on that alarming picture, but not without first recalling that similar circumstances were present early in the 1970s. At that time, in the province of Santa Fe, or rather in the area of San Lorenzo, to be more precise, near the city of Rosario and the city of San Nicolas in Buenos Aires Province, a dynamic focal point of activism was created. These activists took over the local leadership of the metalworkers' union. To describe the situation fully, we should say that to a great extent that was one of the first organic manifestations of armed subversion. It was later projected toward the political field through apparent struggles for demands that included union issues.

Same as in the Past

Today, in Tierra del Fuego and in other parts of the country that are characterized by their population density and the large worker and industrial contingents—specific areas of Greater Buenos Aires, for example—that same subversion, under slightly different names

adapted to achieve a temporary mimicry, has begun to repeat the preparations for an identical history of blood and fire. Just as in the past, not a few observers scoff at this danger and even claim that the subversives lack the infrastructure necessary to resume their operations. Moreover, there are plenty who argue that the subversive elements are being channeled into political outlets and are having little political success, and will therefore disintegrate and disappear in the future. This is the argument put forth by those who either refuse to see reality or are compromised.

The similarity with the past is so curious—and also so telling—that it even has the consent and backing of certain government sectors. Many will think we are talking once again about the connections between the General Secretariat of the Presidency and major subversive criminals, but we will leave the discussion of this matter for another time, when we will elaborate with some interesting facts. Today, we will merely say that it appears that several of the activists who are traveling to Rio Grande and Ushuaia to foment disorder and anarchy and to put in motion a future “social explosion,” are using travel vouchers distributed to national and provincial legislators.

Who Is Col Ermakov?

Clearly the ingredients in the Argentine stew can be described as spicy, and of course dangerous. We can also use these terms to describe the activities carried out in this country by a Soviet citizen named Guennani Ermakov, a colonel or lieutenant colonel in the KGB who serves as executive secretary of the Soviet Committee of Solidarity with the Peoples of Latin America. Ermakov's most recent visit to Argentina took place in the middle of last March, when he participated in the inauguration of the new organization Argentine Solidarity with Peoples. This entity, with headquarters at the corner of Corrientes and Pueyrredon in the federal capital, has some well-known members, including journalist Ariel Delgado (a staunch defender of the Sandinist regime in Nicaragua who until recently worked at Radio Belgrano), attorney Rodolfo Mattarolo (whose relations with elements of the extreme left, not excluding the ERP, have been remarked upon), and the “defender of guerrillas” (as he was dubbed in *PRENSA CONFIDENCIAL* at one time), Raul Schnabel.

Financing and Other Little Things

These facts speak for themselves, but we should add that the SAP is receiving financing and directives from the Soviet organization led by Col Ermakov. The latter has just invited the Argentine “leaders” to participate in the ceremonies in honor of “Che” Guevara to be held in Moscow next month.

Among its responsibilities, the SAP has undertaken to sponsor a series of “weeks of solidarity with Latin American peoples,” and these celebrations include delegations of psychologists (!), physicians, union officials, and students traveling to Santiago, Chile and other cities across the Andes in the near future. Some of these groups will be disguised as “literacy brigades” (a particularly indigenous concoction), and will go forth to repay countries such as Nicaragua for their kindnesses. Advance men for the brigade already went to Nicaragua this summer. These groups will respond in the name of Agustin Tosco, who reminds us of more than just the “Cordobazo” that was launched at the end of the 1970s against the government of Juan Carlos Onganía and Argentine society in general.

In a way, it can be argued that this was part of the preamble of the drama that ensued, which is analyzed in minute detail in the SAP's recent publication. This magazine, whose name VOCES [Voices] was changed to PULSO DE LOS PUEBLOS [Pulse of the Peoples], states that former Defense Secretary Raul Alconada Sempe (who has now returned to the Foreign Ministry along with his boss, Dante Caputo) was willing to publish an article bearing his by-line, an assertion that could not be confirmed.

Soviet Interests

It should be noted that the SAP is one of the conduits for financing and instructions for the subversives, but not the only one. The Multisectoral Bureau of Permanent Mobilization, on the other hand, is the organization that is supposed to centralize the local political and armed maneuvers above the head of the Broad Liberation Front (FRAL), which is on the decline today. In addition, it is supposed to coordinate the various groups, factions, and movements of the left, with all their different gradations.

Since this matter is too profound and extensive, we will discuss it separately another day. For the time being, since we have alluded to our Ministry of Foreign Relations, we will say that this is a good time to note that its influences seem to be crucial in orienting operations toward the economic, commercial, and therefore political interests of the Soviet Union. This has occurred above and beyond the results of bidding on certain projects and supply contracts, which has always been justified on the basis of alleged “political interests,” as when the project to dredge the access channel to the port of Bahia Blanca was awarded to the Soviets.

The contract was awarded directly to them, and thus, there will be participation by capital and technicians from Holland and (oh, irony!) Great Britain. This is another detail to add to the negative report drafted by the Department of Navigable Waters and Maritime Interests of the Ministry of Public Works and Services.

Then there is the striking fact that the Soviet bid for \$165 million was considerably higher than that submitted by a Franco-Argentine consortium, which was for only \$143 million.

Another interesting affair in which Caputo's heavy hand could also be felt involves the purchase of an anti-hail system by the former Radical governor of Mendoza, Felipe Llaver (now president of the shaken National Mortgage Bank). The results of this purchase are more than inconvenient. The system is Soviet, and it is claimed that many of the elements it uses could be manufactured in this country. Moreover, the chemical that is used, made of lead iodide, is not supposed to be a pollutant.

According to our sources, the affair has spilled over into the political arena these days, but the consequences are still uncertain, despite the efforts of the deputies of the Democratic Party.

There is less uncertainty about the whole gamut of consequences among the specialists at State Gas. The state enterprise awarded the Soviets a contract for a compressor plant located in La Sortija, Buenos Aires Province. The contract was awarded despite a technical report that advised against the operation and emphasized that the Soviet turbine involved, the GT750, dates back to 1964 and has not been manufactured in over 20 years. The report added that this machine weighs over

four times as much as modern machines, which translates into a high consumption of lubricant, among other deficiencies. To make matters worse, the turbines are reconditioned, and although there is no maintenance program, a Czech firm maintains them.

In the communications field as well, the Soviet presence can be seen in the Secretariat of Communications, where in spite of bureaucratic foot-dragging, it is possible that a national communications satellite will be launched by 1990. The necessary authorization has been granted by the International Communications Board, but the operation could be thwarted—excluding the matter of security—by the intervention of Soviet technology. This could substantially modify the project and alter its development potential, especially when Argentina returns to the First World and "Caputo's Sovietizing efforts end forever," as knowledgeable sources repeat ever more insistently.

In sum, we feel that the incursion by the communist world, the interests that recognize no ideology, and Argentine decadence that recognizes everything (since it is all over the place), are more than enough. To conclude, without abandoning the issue of the dangers constantly posed by the left—and of course, that which is always working in the shadows of the ruling party—we report that a plan to assassinate a former president of the republic, also a former general, was exposed or discovered, if you will. This means that those same leftists are anxious to "speed things up," as they say.

08926

Socialist International Meeting Convenes in Rio de Janeiro

33420094d Brasilia CORREIO BRAZILIENSE in Portuguese 1 May 88 p 7

[Text] Rio—For 2 days the Committee for Latin America and the Caribbean of the Socialist International meeting at the Rio Palace Hotel analyzed the economic and political situation of Brazil, Bolivia, Paraguay, Uruguay, Chile and Argentina. Today, in closing the meeting, it issued a communique advocating direct election of the president in Brazil on 15 November and the repudiation of the foreign debt by the developing countries, and condemning the interference of the United States in the internal politics of Panama and Nicaragua.

The document was read by the assistant secretary general of the committee, Luis Ayala, who emphasized basic points of the central themes of the meeting, which will be presented for consideration at the meeting of the Socialist International at Madrid, Spain on the 11th and 12th of this month.

In calling for the direct election of the president of the Republic next 15 November in order to give Brazil "a legitimate and constitutional government," the committee document emphasized the need to establish a political regime capable of bringing about stable economic and social development in the nation. Direct elections are essential in achieving such a goal, according to the document.

The president of the committee, Jose Francisco Pena Gomez, member of the Dominican Revolutionary Party (PRD), does not consider the request for the direct election of the president of the Republic next 15 November to be interference by the Socialist International in the internal politics of Brazil. "On the contrary," he declared, "we are concerned about democracy in Brazil as well as in other countries, and a direct election this year would be applauded by the Socialist International."

In referring to the elimination of the foreign debt of the developing countries, Pena Gomez said this will not isolate countries that proceed in this way, because repudiation of the debt would not be a unilateral decision. It would be the fruit of a broad agreement.

Former Governor Leonel Brizola considered it natural that the Committee for Latin America and the Caribbean should call for direct election of the president of the Republic, because it is helping other nations, like Paraguay and Chile, to restore democracy. The decision of the committee to bring the presidential election question to the Madrid meeting of the International does not in the ex-governor's view signify intervention in the internal politics of Brazil.

"Brazilians have never had real elections to this day," Brizola declared. He also commented on the proposal to eliminate the foreign debt of the developing countries.

According to him that question is still being debated, and the committee has not taken a firm position. The former governor of Rio de Janeiro said that he sees the problem in its moral aspect as one of international usury.

"The creditors, in some cases, should pay the debt, because they knew that they were lending to those who did not have the means to repay," Brizola declared. In his view the debt problem should be submitted to broad international debate.

12942/08309

Recent Growth in PTB Congressional Bloc Described

33420094a Sao Paulo ISTOE in Portuguese 20 Apr 88 p 21

[Text] While the PMDB [Brazilian Democratic Movement Party] has been suffering a decline throughout the period of the Constituent Assembly that threatens its very existence, the Brazilian Labor Party, the PTB, is quietly growing. From a modest position as the fifth party in the Congress elected in 1986, the PTB managed to add 10 federal deputies to its ranks in recent months. And now, with a bloc of 31 members, it looks as if it could soon nip at the heels of the PDS [Social Democratic Party], which was once the largest party in the country and today holds 36 seats in the Constituent Assembly. By defeating the PDS, the PTB would become the third largest political party in Brazil, surpassed only by the PMDB, now with 280 seats, and the PFL [Liberal Front Party], with 134.

To make this leap, the Laborites can count on two fundamental levers: the end of the subparty system, an instrument that facilitated the formation of various political groups within the same party; and the proximity of municipal elections—factors that have attracted to the ranks of the PTB politicians who do not find space for themselves within their own groups. "I want everyone to come to the PTB," enthuses the party's parliamentary leader, Gastone Righi. The party, founded in 1945 and newly registered in 1981, most recently gained eight federal deputies, two senators, countless positions of political leadership in the states and municipalities, and is also negotiating with eight federal deputies from Minas Gerais, who left the PMDB and are without party, and with two PFL deputies from Piaui and one from Parana.

If all of these negotiations are successful, the PTB will by the end of the Constituent Assembly have a congressional bloc of 36. "The PTB is the only party that has a strong and historic label. It fills the space in the center that has been lost by the PMDB and the PFL," explains Deputy Righi. Despite the enthusiasm of its leader, the

party has not been able so far to confirm that businessman Antonio Ermirio de Moraes will run for the presidency under the Labor banner. "He is one of our best moral resources, the perfect candidate for the party," says Deputy Dirce Tutu Quadros.

Among those who have enlarged the PTB is the senator from Parana, Afonso Camargo, the first star to migrate from the PMDB. But Camargo was not the only one to bet on the PTB. In Rio Grande do Sul, the regional president of the PDS, Nelson Marchesan, is courting two ideas. First, to join the party of PMDB dissidents. Second, to embrace the PTB. In Pernambuco, 10 days ago, ex-Governor Roberto Magalhaes received the PTB card, which may also be delivered to the ex-governor of Ceara, Luiz Gonzaga Motta. This invasion does not alarm leader Gastone Righi, who rejects the idea that the PTB is simply swelling. "A party only swells when it is in power. Out of power it merely grows."

12942/08309

Transformation Within PT Over Past Decade Described

33420094b Rio de Janeiro O GLOBO in Portuguese
8 May 88 p 13

[Article by Terezinha Lopes: "PT: Cautious Transition From Blue Collar to White Collar"]

[Text] Sao Paulo—The Labor Party (PT) is completing 10 years of existence dressed in the same overalls that it wore in the factories in 1978—when the first pro-PT movements appeared—but now includes the white collar in its wardrobe. The concession, the result of much internal discussion, is an indication of a decade-long process of transformation. Supported by 450,000 members throughout the country, the party today peacefully incorporates various tendencies.

The new image of the PT became clear at the end of the Fifth National Meeting of the party, held at Sao Paulo in January. Previously the party did not admit that it had employer members, but today it accepts small and medium businessmen who identify with its ideology. Alliances and associations previously prohibited, became permissible, provided that they were not made with parties supporting the government, such as the PMDB, PFL and PDS.

The growth of the PT has alarmed its ideologues and principal leaders. From 1982 to 1986 the party doubled its federal congressional representation to 16, tripled its state representation to 38, and increased its numbers of municipal councilmen from 116 to 184. In 8 years since its definitive registration with the Supreme Electoral Tribunal it has established 1,400 directorates throughout the country.

A concern that with growth it not lose its party identity is clear in its electoral process. The PT is poised in its search between a candidate who would expand the party or one who would preserve its origins.

An example of this conflict is the choice of a candidate for the office of mayor of Sao Paulo, which is being contested by State Deputy Luiza Erundina, supported by the rank and file, and Federal Deputy Plinio de Arruda Sampaio, preferred by the National Directorate.

The first secretary general of the party, Francisco Wefort, is one of those who recognizes that the PT has transformed itself into a broader party than envisioned in its origins.

He answers criticism that the party is a stronghold of intellectuals and the middle class, arguing that this characteristic is typical of modern labor parties.

But who governs the party today? The first vice president of the National Directorate and one of its founders, ex-Federal Deputy Djalma Bom, answers that Federal Deputy and Chamber leader Luis Ignacio Lula da Silva continues to be "the great and major figure in the leadership of the PT."

"Lula has never wanted PT policy to revolve around himself. If he had had his way, he would not have remained 7 years in the National Directorate of the party," he said.

Bom believes that the party leadership of the deputy could be recognized by making Lula the unanimous choice as the party's candidate for the presidency of the Republic.

Looking toward the municipal and presidential elections, the PT now understands the need to form alliances with sectors of the middle classes interested in seeking power. The press secretary of the party, Jose Americo Dias, said that to bring to reality what had before been a dream, the PT has removed from its speeches much of its earlier aggressiveness.

According to the mayor of Diadema, Gilson Meneses, the enthusiasm existing at the time of its founding has been replaced by daily struggle for political consolidation.

Meneses was the first mayor to be elected by the party in 1982. Then came Maria Luiza Fontenelle in Fortaleza, Jose Ailton Cirillo in Icapui, Ceara, and Magno Pires in Vila Velha, Espirito Santo.

For Lula, "An Unexpected Baby"

No one knows for certain the day, month, or birthplace of the PT, an "unexpected baby," in the words of its principal ideologue, Deputy Luis Ignacio Lula da Silva.

In 1981, at the first national convention of the party, he stated that the National Congress of Metal Workers held in 1978 at Lins, 450 km from Sao Paulo, marked the beginning of the party.

At the convention, Lula said that he was proud of the origin of the party "born with overalls"; and he declared, "We know that regardless of the social class to which they belong, those who believe in the working class will sooner or later be on our side." In the same speech, he made a point of saluting Mario Pedrosa, the first intellectual to join the party.

Lula added that "the day that PT leaders are no longer able to go to the factory gates or to places of work or where there is a fight for land, it would be best to close down the PT." And he guaranteed that birth was not being given to "a party of closets, intrigues or state settings."

The speech established the basic lines of the party. Lula warned that it could not represent "ever the interests of capital." With respect to the ideology of the party, he defined it as a socialism "that will have to pass through the emancipation of the workers." Agrarian reform was also mentioned in the speech. "The only agrarian reform known to our country was when Portugal divided it into hereditary captaincies. And that division lives on," he mused.

12492/08309

DMB Acquires Electronic Warfare System for Army

33420094c Brasilia CORREIO BRAZILIENSE in Portuguese 1 May 88 p 18

[Text] Contracts for the acquisition of equipment essential for the operation of the Army's electronic warfare system were recently signed by the Department of War Materiel (DMB) with firms from North America and the Federal Republic of Germany. The costly equipment, primarily sophisticated computers, is to be delivered at the end of the first semester of 1989. The electronic warfare system, which Minister Leonidas Pires intends to put into operation officially while still in office (assuming that Sarney's term is 5 years), is entirely national in its concept, although Army technicians have studied various international systems, principally North American.

The electronic warfare system, which began with the operation of a nucleus, is the responsibility of the Electronic Warfare Instruction Center, which is already functioning at installations of the Army's 2d Cartographic Division in Sobradinho. It will soon occupy quarters of its own next to the Division. With the goal of full implementation by 1990, documents are in the final study phase by the General Staff that deal specifically

with the Electronic Warfare Tactical System (Sistage) for those military units affected, as well as adaptations of global doctrine essential to the tactical-operational structure.

Through the General Staff, the Center for Electronic Warfare Instruction sent 13 high-ranking officers to the United States and the Federal Republic of Germany to take courses in the system. According to a military source in the Army General Staff, a basic framework for instruction in the system has already been developed for the Army. The first courses with this purpose will be given starting in 1989 at the Center. Although closed to the public, the Brazilian electronic warfare system will maintain contact in the future with the armed forces of friendly nations, in accordance with treaties governing the exchange of information in the training area.

Next to the basic structure of the system, the first concern of the Army is the training of electronic warfare specialists by means of courses (operators and maintenance personnel being the first targets). Work on an electronic warfare field manual aiming at harmonizing and unifying doctrine will begin this year at the Army General Staff. In the Army, electronic warfare study was speeded up after the war between Argentina and England for possession of the Malvinas Islands. The Argentine defeat in that conflict, which was the object of study by the highest level of the Army, led Minister Leonidas Pires to adopt the system. In the plan established by the Army General Staff, within 5 years the ground forces will be operating fully under the system, which will place them among the 10 principal forces in the world.

In isolation, the electronic warfare system can already be employed in an advanced way by the Army, with the introduction of the "Fila" system of directed fire equipment developed by our national industry and presently being used by antiaircraft units, principally in Brasilia at the 11th Antiaircraft Artillery Group, where it was inaugurated by Minister Leonidas Pires Goncalves. In Sete Lagoas, Minas Gerais, another group of the same class was activated and is considered to be one of the most efficient of its kind. The system is part of the defense of the quadrilateral airspace Brasilia, Belo Horizonte, Rio and Sao Paulo, in conjunction with the Air Defense and Air Traffic Control System (Cindacta) of the Air Force.

The 11th Antiaircraft Artillery Group of the Army enters into operation in case of an invasion of the air space of Brasilia by an enemy aircraft (signalling an air defense failure on the part of the supersonic Mirages based at Anapolis, Goias).

Equipment Updated

The Ministry of the Army is going to modify the individual equipment used by its soldiers. The action, according to the ministry's Public Information Center, is designed to adapt equipment to the "new operational parameters of a modern concept of war."

For now, no equipment other than that already being used will be acquired. But the new products of national industry will be newly designed and be made with more resistant and better quality materials. Helmets, for example, will be lighter and adjustable to fit and better protect the combatant. Now the packs, with a new design, will better distribute the weight of the objects carried. Field belts, cases to carry pistols and machine guns, canteens and even eating utensils will also be adapted for better performance of the individual mission. In the future, moreover, new equipment will be added, such as night vision glasses.

All of these changes are contained in FT-90, which last year changed all uniforms, creating a more operational field uniform made of stronger material.

A regulation governing the use of the new equipment is already drafted, and the adoption of the prototypes depends on field tests now going on. The next step will be the opening of bidding for the manufacture of the materiel.

12942/08309

Bank Robberies Provide Financing for Insurgent Groups

56002031z Medellin *EL COLOMBIANO* in Spanish
3 Apr 88 p 3A

[Article by Maria Fernanda Mancera: "Guerrillas Financed by Agrarian Bank"]

[Text] Bogota (COLPRENSA)—The Bank of Agrarian, Industrial, and Mining Credit—commonly known as the Agrarian Bank—has been robbed by guerrillas or common criminals once a month for the last 3 years. It has also been the victim of three embezzlements.

According to COLPRENSA, the bank has lost a total of 582.5 million pesos. However, what is most surprising is that more was taken in three embezzlements than in 41 robberies.

In the past 39 months (from January 1985 to March 1988), the Agrarian Bank has been the victim of 41 robberies in which guerrillas and common criminals took 243 million pesos. There were three embezzlements, apparently by bank officials, totaling 339.5 million.

The inside thieves, not needing arms or threats, took 28.42 percent more than was stolen by the six guerrilla groups and criminals.

Robberies in 29 of the 38 towns attacked by the guerrillas since 1985 have been attributed to specific groups: EPL [Popular Liberation Army], 9; ELN [Army of National Liberation], 8; CNG [National Guerrilla Coordinator], 6; FARC [Revolutionary Armed Forces of Colombia], 4; Quintin Lame, 1; and M-19 [19 April Movement], 1.

The amount taken in robberies by guerrilla groups, in descending order, is: EPL, 134.3 million; CNG, 27.5 million; ELN, 27 million; FARC, 18.5 million; M-19, 3.5 million; and Quintin Lame, 500,000 pesos. They total 211.4 million pesos.

In other words, the average robbery by a guerrilla group is 7,290,000 pesos.

The remaining 31.6 million were stolen by common criminals or unidentified guerrilla groups. Only three were verified as done by criminals.

Those Most Often Robbed, Those Prevented

The department most affected by robberies was Antioquia. In 14 raids, the guerrillas took 68 million pesos.

The Intendancy of Putumayo is second in losses with a total of 61 million pesos while Cauca Department is second in number of towns victimized by criminals (six).

Another 11 regions have suffered the consequences of this type of criminal action: Cesar, Meta, Risaralda, Caldas, Tolima, Sucre, Arauca, Bolivar, Cundinamarca, Norte de Santander, and Casanare.

According to information obtained by COLPRENSA, the number of attacks on branches of the Agrarian Bank in the different areas has increased progressively year after year: in 1985, 4 robberies; 1986, 13; 1987, 16; and, as of March 1988, 3.

Four people have died in confrontations during the robberies: two policemen, one civilian, and one guerrilla in the rebel takeover of San Pedro de los Milagros, Antioquia, in August 1986.

Six robberies have been frustrated by authorities or peasant groups: 3 by the ELN, 2 by the EPL, and 1 by the FARC. These were at Puerto Rondon, Arauca; Yolombo and Zaragoza, Antioquia; Pailitas, Cesar; Pacora, Caldas; and Dolores, Tolima.

Embezzlements

The three embezzlements at the Agrarian Bank occurred in El Bagre, Antioquia, in May 1985 and in Leticia in April and May 1986 in association with officials in Manta and Cali.

Twice suspicions have fallen on bank officials: in Leticia and Manta, six employees of the Agrarian Bank branch were linked to the investigation into the embezzlement of 189 million pesos.

All the information on the robberies of the Agrarian Bank was obtained from press archives. The bank's management adviser, Fabio Romero, and the general and financial manager, Pedro Dorado, refused to discuss the robberies with COLPRENSA. They argued that it was not good for the bank because of the effect it could have on the public and also the information was protected by bank confidentiality regulations.

7717

Army Personnel Sentenced in Human Rights Case
33480144c Bogota *EL ESPECTADOR* in Spanish
22 Apr 88 p 11A

[Text] Bogota—The Military Superior Court has just handed down the first conviction in Colombia of military personnel accused of violating human rights and committing multiple murders. This conviction refutes the accusations by Amnesty International that the judiciary in this country is inactive. The court sentenced three army officers to lengthy prison terms after finding them guilty of murdering six peasants in Antioquia with violence and treachery.

The recipients of these heavy sentences were Capt Tomas Ignacio Monroy Roncancio and Sgts Samuel Mejia Gonzalez and Marco Aurelio Mendoza Mena. Initially, the captain was sentenced to 22 years and the non-commissioned officers to 18 years, but when the case was appealed to the Military Superior Court, it was determined that the defendants' confessions to multiple murder constituted a mitigating circumstance. Therefore, the sentence was reduced to 16 years for each of them.

The events in question took place on 18 September 1986 on the Belmira Trail in northern Antioquia. While carrying out a public order mission, the captain and the two sergeants decapitated six farm workers, identified as Angel de Dios Londono, Orlando de Jesus Londono, Luis Fernando Londono, Victor Manuel Londono, Miguel Angel Londono, and Albeiro Londono, all members of the same family.

During the initial trial, the three defendants were tried by their superiors in Antioquia and were sentenced to 22 and 18 years in prison. As was mentioned earlier, however, when the case went to the Military Superior Court, the latter decided that the confession to the crime was a mitigating circumstance, and reduced the term to 16 years.

It should be noted that in its decision, the military court stated expressly not only that the violation of human rights by military personnel is an especially serious crime, but also that conduct such as that of the accused constitutes a political crime, which would entitle anyone guilty of such an offense to request asylum at a diplomatic mission.

08926

DAS Report Alleges Military Involvement in Uraba Killings

*33480148 Bogota SEMANA in Spanish
3 May 88 pp 26-35*

[Text] Twelve copies of the explosive document circulated among some of the highest officials in President Virgilio Barco's administration. He himself had a copy, as did the ministers of government, defense and justice, the governor of Antioquia, and half a dozen other highly placed officials. All of them had received their copies early in the week, with the card of the head of the Administrative Department of Security (DAS), Gen Miguel Maza Marquez, clipped to the top of the cover page. There were a few more than 100 pages, 60 of them devoted to a detailed analysis of the testimony, clues, evidence, background and first conclusions pertaining to the investigation pursued by 30 DAS agents and six special judges with regard to the slaughter of peasants on the La Honduras and La Negra Plantations near Currulao, in Uraba, early on the morning of last 4 March. The

rest of the pages contained various photographs of the scenes of the crimes and descriptions of some of the assassins. "Confidential" was stamped at the top of each and every one of the pages.

But what did the document say? Many, and very surprising, things. Despite this fact, as this issue went to press, there had not yet been any meeting of the various officials who read and analyzed the report—only informal talks between some of them to comment on the contents of the Uraba report.

What the document revealed, in a few words, was that according to a good many of the more than 50 statements collected by the investigators from witnesses and survivors of the massacres, members of the Voltigeros Battalion participated in a series of operations for the purpose of locating and identifying presumed members of the network supporting the Popular Liberation Army, and the majority of them died during the massacres.

The DAS concluded: "Based on the testimony, it can be inferred that the forces of law and order were using former guerrilla fighters as possible guides in locating the active members of the subversive forces and their support networks. For this reason, there are those who think that the groups which committed the massacres were made up of deserters from the EPL, among others, possibly financed by persons or groups which have had to deal with intolerable hostility on the part of the rebels...." The report also emphasizes "the repeated visits made by uniformed personnel" accompanied by hooded civilians to the places where the massacres later occurred.

The Testimony

One of the most revealing statements obtained by the investigators was from a woman presumably affiliated with the EPL. Weeks before the tragedy, she was taken into custody by members of the Voltigeros Battalion. She said that while she was being held, she was taken from the battalion headquarters to one of the plantations in the zone a number of times. She was asked to indicate the workers' camps in which those affiliated with the EPL were located and what their names were. According to the witness, whose identity SEMANA is not revealing for obvious reasons: "The second time, after 5 or 6 days, they took me out in a red Toyota...to point out some of them in person.... We left at midnight and returned at 2 a.m." She added that she was accompanied by about 11 armed men, some of whom rode in a white camper which accompanied the Toyota.

Thanks to such operations as this, the Voltigeros Battalion was able to gather information about the identity of workers who were allegedly helping the EPL. Apparently, the first effort of the uniformed men to establish who among the peasants on the ranches were on which side was made in October of last year. The widow of one of

the victims of the massacre at the La Honduras Plantation told the investigators that at that time, Army patrols brought a hooded civilian to the plantation. That individual identified various workers, from a distance safely removed from the camp. Some of them were arrested and taken into custody by the Voltigeros Battalion, but they were released 10 days later.

According to the report, a number of those arrested then made statements to the investigators about what happened while they were being held. They said that the questioning to which they were subjected was done by members of the B-2 units. The vast majority of the questions had to do with the identity of those of the banana workers affiliated with the EPL. Operations like that in October were repeated in November and December, and more individuals were taken into custody and held by the battalion for periods of 10 days. One of those arrested, a man known by the alias "Zacarias," made a lengthy series of tours of the plantations accompanied by uniformed personnel. He visited at least seven plantations, including La Honduras and La Negra, where the 4 March massacres occurred. According to the testimony, the visits took place over a period of several days, between 8 and 10 pm.

The last of these operations was carried out exactly 8 days before the massacre, when, according to the report, "There were three private vehicles carrying civilian personnel and an Army vehicle carrying uniformed individuals. The people were brought to the football field and were told in obscene terms that they were guerrilla fighters.... On that same date, a woman had been arrested while trying to conceal two pistols on the plantation. Also, a member of the worker-owner claims commission was caught with a revolver, while another individual, whom they called 'The Bird,' rode up on a motorcycle and shot at the military personnel from the other side of the river." Everything indicates that this last operation was the definitive one for identifying those linked with the EPL, and according to the report of the investigators, the majority of them died in the massacres.

The Sinister "Lenin"

The document described in detail the personality of an individual called "Lenin," who appears to be one of the key individuals. After holding such posts as finance officer for the EPL for the Currulao area, he was captured by the Army weeks before the massacre and was subjected to intensive interrogation. Another individual who was being held was present during one of these sessions, and after the massacre, he made a statement to the authorities. During this joint questioning session, according to his statement, this "Lenin," who was apparently already cooperating with the uniformed personnel, was offered 150,000 pesos for each 10 EPL members he could name, and "he was told he could earn 40,000 pesos per month if he would continue working for the Army." According to this same statement, "Lenin" had told a

corporal in the B-2 during that same session that "the Honduras, La Negra, La Suerte and Oro Verde Plantations were hotbeds of guerrilla fighters."

Everything indicates that "Lenin" provided the definitive identification of the members of the network supporting the EPL on the plantations in question. According to the description of this man in the document, he is 1.65 meters tall, weighs about 65 kg, is no more than 30 years old, and has light brown skin, a round face and one very distinctive feature—his upper maxillary teeth are missing.

The direct participation of this individual in the massacres is being established by the investigators. In general terms, the DAS said in the document that the individuals in this category of deserters from the EPL who became collaborators with the Army were among the victims of the genocide. This information is being compared with the descriptions provided in the testimony of some of the survivors.

Fatal Morning

The report also gives an account, based on the testimony of members of the families of the victims, of how the massacres at the La Honduras and La Negra Plantations were carried out in the early morning hours of 4 March. At about 12:30 a.m., approximately a dozen men armed with AR-15 223-caliber rifles, long 38-caliber revolvers and some shotguns arrived at the first of the plantations in three or four campers. With a list in hand, one of the assassins began to call out the names of the victims. Sixteen peasants were "pushed down on their stomachs" a few meters away from the camp building. The women and children were shut in the building and told to put out the lights. Within a few minutes, after bursts of fire and single shots had rung out, it was all over. The body of the seventeenth victim was found 100 meters away from the building. He had apparently tried to flee when the bloodshed began.

He did not get away. But nine other men whose names the assassins had called out did succeed in escaping. All of them fled the zone, and some even sought refuge in the southern department of Cordoba. After an intensive search, the majority were located by the DAS agents who participated in the investigation. Their statements were of vital importance in reconstructing events, clarifying what happened during the weeks which preceded the massacre, and drafting the descriptions of the assassins.

Other witnesses insisted that prior to the massacre, the assassins shouted "You belong to the sons-of-whores guerrillas" at the victims. A witness also said that while they were checking the dead, one of the assassins said to another, "Corporal, one of them is still alive." "Finish him off," several men responded. The statements of various individuals agreed on one point—that everyone addressed the man who seemed to be giving the orders as "Corporal."

The DAS Report

But apart from the purely evidential content of the document, it devoted several pages to a socioeconomic and political analysis of what is happening in the Uraba zone. The analysis in the report concluded that after several years, during which the guerrilla presence developed and became established in the region, profiting initially from the conditions of exploitation under which the banana workers lived, a series of groups described in the document as "extreme rightists" developed as a reaction. "The conflict in Uraba," the document said, "had its origins in the prolonged rivalry between the trade union and employers' sectors, in which there were clearly defined stages. The first was characterized by the plundering of the workers by the landowners, who chose to ignore the workers' petitions, while the second brought a virtual turnabout in the circumstances, following the emergence of a strong union apparatus, which had the political and military support of the PCML/EPL. During this period, old resentments came to the surface, and the satisfaction of economic demands spread to the subsidizing of a party structure." In this latter connection, what the editors of the report described, giving some evidence and testimony as supporting proof, is how many banana planters, apart from the wages paid their workers, are also forced to pay wages to some EPL activists, who although they do not actually work on the plantations, live in the camps and engage in political-trade union activities.

Having set forth this background information, the document went on to say that "From the situation, one can also see evidence of the existence of two fully defined blocs, with their respective strategies. That on the extreme left attempts to strengthen its base, and that on the right pursues the desire to protect its very valuable interests by eliminating every vestige of the former." The investigators took the trouble to list at length the factors which led the banana planters to seek the elimination of the extreme leftist groups. "The gradual reduction of productive land ownership as a result of the 'recoveries,' the exhaustion of economic capacity as a result of the 'vaccines,' with the methods of 'periodic quotas' and the fictitious 'wages' paid to the guerrilla agitators; the inability of the owners to replace or repair sabotaged equipment; the union demand that only its designated workers be hired; the inability to administer property personally, due to fear of attack and vulnerability to kidnapping—all of these things apparently exhausted the tolerance of the owners, who then chose to develop 'protective' groups."

As to the possible participation of Armed Forces personnel in these "protective" groups, the conclusions reached in the document are less definitive than the evidence presented. However, accepting the hypothesis that deserters from the EPL who had become Army informers participated in the planning and execution of the massacres, the report analyzed the problems in the relationship between the inhabitants of the zone and the

public forces. "One factor which had tragic consequences for security in Uraba was the upset in the necessary balance in the relations between the civilian population and its authorities. This was due to mistrust on both sides resulting from the divisive activities of the extremists, to the point that a virtual polarization of opinions and radicalized opinions between the two blocs can now be seen."

Finally, the document made some recommendations for breaking out of the vicious circle of violence in Uraba. In this connection, the urgent need to implement agrarian reform measures was emphasized. In one of its final paragraphs, the report noted that there has been increasing penetration of drug trafficking capital in the region, and it was stated that this has aggravated the situation, because the unlimited resources of the Mafia have still further distorted the relations among the various social, economic and political groups in the region. The editors of the document were insistent in urging that the INCORA, the National Narcotics Council and other state bodies develop juridical methods which would make it possible to confiscate the assets acquired by the drug traffickers in Uraba.

One Final Conclusion

To summarize, the revelations resulting from the investigation lead to the conclusion that in the massacres at the La Honduras and La Negra Plantations early in the morning on 4 March, individuals linked in one way or another with the network supporting the EPL died; that in the weeks preceding the slaughter, a number of military operations were carried out for the purpose of identifying who these persons affiliated with the guerrilla group were; that deserters from the EPL collaborated with the Voltigeros Battalion in these operations, and may have subsequently participated in the assassinations; that, to judge from some statements, the possibility that military personnel may have participated in the group committing the genocide cannot be excluded; and, finally, that this kind of "cleanup operation" is being financed by businessmen in the region who are desperate because of the siege to which they have been subjected by the guerrilla forces.

But these are not the only conclusions which can be drawn. There is one other, perhaps even more important, and it has to do with the fact that with a single stroke, the DAS document destroyed the myth to the effect that the crimes in Colombia connected with the so-called "filthy war" are not investigated, or when they are, no one is found to blame. The investigation carried out by the DAS agents and the special judges is one of the most complete, profound, and—here is the key—speedy in the recent history of the country. In only 45 days, enough evidence was produced to justify the statement that full clarification of the events on 4 March will be achieved. To that extent, the government of President Virgilio Barco, who made the exceptional decision to send 30 DAS agents to investigate the facts, can claim

success with these results. In any case, this investigation gives the lie to the recent Amnesty International report, in particular its statement that this type of crime is not being investigated by the authorities.

Yes, it gives it the lie. But paradoxically, it also confirms some of the Amnesty International analyses, in particular that related to the connection between elements in the Armed Forces and the "filthy war." Obviously it does not confirm this link as Amnesty International set it forth, because no one can say, in the light of the results of the DAS investigation, that there is proof, as that organization claims there is, that a policy of terror is being pursued by the Armed Forces against the opposition on a national scale. But in any case, there is recognition that some members of the military establishment were accomplices, or even direct protagonists, in the massacres.

It seems that former president Carlos Lleras Restrepo believed something of this sort; in an editorial in *NUEVA FRONTERA* last week he said that "if the massacres in Uraba were perpetrated with any kind of cooperation from members of the military, the courts martial for which the Military Code of Criminal Justice provides should be held and the corresponding penalties rapidly imposed."

In fact, Lleras Restrepo seems to have been as well-informed as the government itself. But there is, on the other hand, a difference between his interpretation of the Constitution and that of the Barco administration with regard to which authority should judge the military personnel charged with involvement in the massacres. While the former president spoke of the Military Criminal Code, the government, with Minister of Justice Enrique Low Murtra as its spokesman, stated rather clearly last Wednesday that any military personnel involved in the "filthy war" should be tried in the ordinary courts, and not those of the military establishment. The key lies in the interpretation of Article 170 of the Constitution, which says that "courts martial or military courts will try cases involving crimes committed by military personnel on active service or in connection with said service." In the view of Low Murtra and many others, involvement in a massacre of peasants cannot be regarded as being "in connection with said service." And this seems to be the thinking of the majority of the higher government officials.

However, there will still be time for such discussion, if the conclusions of the DAS document and the involvement of members of the Armed Forces are confirmed. For the time being, this report can be regarded as among the best bits of news to emerge since the country began to witness a wave of massacres. When all is said and done, if there is anything which ranks higher than violence on the list of things of which Colombians are sick and tired, it is impunity for the criminals.

Significant Foreign Investment Increase Seen
33480144a Bogota EL TIEMPO in Spanish
6 May 88 p 7C

[Text] The foreign investment approved by the National Planning Department (DNP) totaled US \$55.5 million in the first 4 months of 1988.

DNP chief Maria Mercedes Cuellar noted that this figure is equivalent to a 177.3 percent growth rate over the amount authorized during the same period last year.

By the end of April 1987, DNP approvals totaled \$20 million, of which 67 percent corresponded to the chemicals sector.

This significant increase, she said, is due to the fact that foreign investors prefer the chemicals and petrochemicals sectors. They have invested \$36.5 million in those areas.

The Colombian Polypropylene Enterprise will receive \$16 million in foreign investment, ICI Colombia will get \$10 million, and Dow Quimica de Colombia \$9.7 million.

Another reason for the increase is the capitalization of \$7 million in credit granted by the Bank of Bilbao to the Bank of Bogota, intended for Cementos Samper.

Of the 12 countries that have been authorized to invest in Colombia, England accounts for 47 percent of the total, the United States 31 percent, and Spain 13 percent.

Manufacturing has received 70.8 percent of foreign investment, with the chemicals sector alone accounting for 65.8 percent.

Also noteworthy are the authorizations for the mining and financial sectors. Commerce obtained 4.7 percent of all approved investments.

Between January and April, the DNP gave the go-ahead for 14 new projects, totaling \$44 million, in the metallurgical, commercial, mining, and tourism sectors.

The United States heads the list of countries contributing resources to new business initiatives. It is followed by England, Argentina, Venezuela, and Spain.

Of the total investments approved, 81.2 percent (\$45.1 million) will come in the form of foreign exchange, while \$7.4 million will be capitalization of profits with drawing rights.

Pereira Forum

National Planning also reported that at the Forum on Investment Projects for the Coffee Areas and El Choco, which will be held in Pereira, more than 1,000 national and foreign investors will examine 90 projects in small, medium, and large industry, valued at \$309 million.

At the gathering, which will take place from 9 to 12 May, investment initiatives will be presented for the agroindustrial, industrial, storage and marketing, mining, fishing, and tourism sectors.

The Forum is sponsored by National Planning, Proexpo, and the Finance and Development Ministries.

The 90 projects have \$118 million in local resources and \$149 million in foreign financing.

Of the total number of projects, 41 belong to the agroindustrial sector, 32 to industry, 8 to mining, 4 to the storage and marketing sector, and the rest to other activities.

The Forum will be opened by Minister of Government Cesar Gaviria and the chief of the DNP. In addition, the ministers of finance and development, the director of Proexpo, the manager of the Federation of Coffee Growers, and the president of Fedemetal will participate.

This is the fourth forum to be held in Colombia, and its main objective is to encourage foreign investors to put their capital into the local economy.

08926

Real Estate Federation Questions Social Spending
33480144b Bogota EL ESPECTADOR in Spanish
21 Apr 88 p 11A

[Text] Fedelonjas has urged the government to forget about the social priorities included in the Development Plan and focus its attention on economic activity as a strategic means of resolving the country's difficult plight.

In a conversation with EL ESPECTADOR, Oscar Borrero Ochoa, president of the association, also asked that more be done to help the savings and housing corporations play their role as sources of financing for the construction and real estate sectors.

In this regard, he reported that the entities of the Constant-Value Savings and Loan Certificates (UPAC) system have announced that they will not accept new credit applications before September of this year. Some of them have even put off until 1989 the studies necessary for new loans.

For all of these reasons, Borrero Ochoa said the results of 1988 will be mediocre, and those of the next fiscal year will be even worse in the real estate and construction sectors. He added that because of this situation, building costs will rise still higher, and so will the prices of the housing most in demand.

He explained that it is impossible to ignore the relationship between overall economic activity and the business conducted by the members of organizations such as

Fedelonjas and Comacol. He said that housing starts and real estate sales are an indicator of what will happen in the immediate future, and that if these sectors are paralyzed, a similar fate awaits the economy as a whole.

Nationalized Economy

Oscar Borrero expressed his conviction that the Colombian economy is saturated by state intervention, noting that government agencies account for 50 percent of total spending and 60 percent of the wages paid in Colombia.

He attributed much of the country's current liquidity crisis to this trend, since the state has undertaken a monetary policy that has worsened its reputation as a slow payer of debts, especially with private business.

In this connection, he indicated that it is common to try to evict government agencies that do not honor the leases they have signed.

Pursuing the idea of excess government interference, he stated that the Social Economy Plan must be reformulated immediately in order to orient policy actions toward the strictly economic sphere.

"It is impossible at this time to attempt to eradicate abject poverty. In view of the present situation, the government has no alternative but to turn toward economic development, even if it has to sacrifice the social programs for this purpose," declared the business leader.

He added that "it is more important to boost production and control inflation than to devote efforts to areas such as education or health."

Lots With Utilities

The president of Fedelonjas commented that in our country, and particularly in the three principal cities of Bogota, Medellin, and Cali, there is a heavy demand for lots with utilities.

In his view, requests for such facilities should be met by the appropriate institutions in an efficient manner, without concern for the expenses incurred.

He went on to cite a study compiled by Promotora Colmena y Oikos which found that the clients who paid a minimum percentage down for their lots were less likely to fall in arrears than those who made large down payments.

He explained that having to make gradual improvements in the space they are given causes recipients of financing to take a more positive attitude toward their financial obligations.

08926

President Discusses Domestic Issues
32480128b San Jose RUMBO in Spanish
10 May 88 pp 16-18

[Interview with President Oscar Arias Sanchez; date and place not given]

[Text] The president, as he drove his automobile along the General Canas Highway with four journalists as his passengers, stated categorically that the people are happy with his administration.

When he reached the city of Alajuela, Arias Sanchez was given a continuous welcome by individuals of all social strata. "They are aware—this is the real survey," the president, pleased by the effusive demonstration of affection, commented.

[Question] Why, then, did the last public opinion survey show that your popularity had declined?

[Answer] The most recent survey by the Interdisciplinary Development Consulting Office (CID) was carried out at a time when the vast majority of the Costa Rican people were irritated by measures which, while we regard them as absolutely necessary, were not popular. They included the tax reform, the increase in the rates for some public services, including the Costa Rican Electricity Institute (ICE) thermal factor, and the increase for drinking water.

"To this must be added the effects of the devaluation decreed at the beginning of January, which led to price increases in February, and to an even greater extent, in March. Therefore the survey reflected the feelings of the people at a time when they were not at all happy.

"No one can bring about major changes in the political, economic or social realms if his only goal is to swim with the current. This is not how I view the mandate to govern which the people have given me. I think that in connection with the structural changes I have proposed to introduce, I will encounter resistance from some groups which find themselves affected. Remember that in politics we start from zero, in a game in which some win and others lose. What interests me is how the majority of the people can win, and the fewest possible lose. Thus one of the most important challenges for my government is to reduce inflation, that is to say the rise in prices, because this is the most unjust tax of all. With it, everyone loses."

[Question] Will you continue to approve unpopular measures in order to bring about the structural changes you seek?

[Answer] I think that the strongest measures have already been adopted this year. In the exchange sector, I hope that the devaluation in 1988 will be less than in 1987. In the fiscal sector, an effort has already been made to correct public finances. The tax reform was approved, taking us a year instead of the 2 months we hoped.

[Question] Isn't structural adjustment in contradiction with the type of measures which have been approved?

[Answer] Absolutely not. We are doing everything possible to increase the efficiency of our productive apparatus. If you read the agreement with the World Bank which is pending ratification by the Legislative Assembly, you will see that the reforms modernizing the financial system are a sine qua non for the signing of the document.

This agreement, which needs 38 votes for ratification in the Congress, is designed to make our productive apparatus efficient and competitive. For obvious reasons, we cannot depend on the Central American Common Market for our future development. Therefore, we must prepare ourselves to accept the reality that we are living in an increasingly interdependent world, and Costa Rica will not be able to increase its exports unless it becomes more competitive.

[Question] You have said that by the end of your 4-year term, you hope to leave Costa Rica transformed into the most developed Latin American nation. Is the nation ready to launch forth in this direction?

[Answer] I hope so. If we act courageously, if we do what we must do, and if patriotic interest prevails again, I am certain this will be the case, because many things are working together in our favor. On the one hand, I think that we are doing the right thing in the economic sector, and on the other hand, following the Central American peace agreement and the recognition given the country when I was awarded the Nobel Peace Prize, we find ourselves on the front pages of newspapers throughout the world, as well as in the news on radio and television stations.

And this is because of a beautiful thing, because we were given an award for preaching peace in the rest of Central America, rather than because of a terrorist act, a coup d'etat or some natural catastrophe. A great deal of aid is coming into our country. Sweden, which had never contributed before, will give us \$12 million. The Netherlands wants to help us, just as the other Scandinavian countries do. Japan will give us \$100 million, and the Republic of China in Taiwan, \$55 million. And this without even mentioning the United States, which has never stinted in its cooperation.

In addition, there is the aid from international bodies, such as the International Monetary Fund and the Inter-american Development Bank. We are not dreaming—what I say is extremely real. We have a right to be optimistic.

[Question] At the end of the first 2 years of your government term, do you believe that you have kept the promises made in the cathedral on the day following your electoral victory?

[Answer] Yes. However, in the land sector, I do not believe we have been able to do what we said. More resources must be provided for the Agrarian Development Institute (IDA). If we consider what we have

allocated in this country over the years to health and education, for example, and now to housing, and if we were to acquire the same awareness in the land sector, perhaps the difficulties would not be as serious as they are now.

The IDA is a poor institution which cannot carry out its task, because the pressures are very great. The peasant in our country does not have land, and I believe that the land belongs to those who work it, as my grandfather, Julio Sanchez, said. I believe that we Costa Ricans should devote more of our own resources to providing the peasants with land. This is the weak point in my administration, and I am not going to let the next 2 years pass without making an effort to provide the IDA with resources.

[Question] You promised construction of 80,000 housing units and creation of 25,000 jobs per year. Are these goals being achieved?

[Answer] Yes. More than 80,000 houses will be built, and 25,000 jobs are being created annually. The employment figure is absolutely correct. Our country has the lowest unemployment rate of any on the continent.

It must be remembered that it is in the private sector that employment has increased—more specifically, in the construction sector. But every good thing has its bad side too, and a large part of the increase seen in the indicators is due the higher prices of construction materials.

I believe that there have been abuses, because dealers in construction materials, including one who is in a monopolistic position, have profited from the excessive demand to increase prices beyond what is fair.

On the other hand, free zones have been established, which we hope to see filled with factories soon. This makes me very optimistic.

[Question] The traffic in drugs is undermining Costa Rican society, and you promised to combat this social evil. What are you doing to fulfill this promise?

[Answer] The Psychotropic Drug Law is an important step, but not a complete remedy. What is needed now is to put it into straightforward practice, without letup. It is a very harsh tool. In reality, it is a Draconian law, and determination is required to implement it. I will be very strict, very severe, very harsh, because I am fully aware that to tolerate drug trafficking would mean inflicting the greatest possible damage upon the country.

[Question] In these 2 years, your relationship with the press has been difficult. What is the reason for your displeasure?

[Answer] I believe that the cultural level of Costa Rican society is very high in many sectors, and comparable to that in wealthier societies, such as those in Europe, the United States, Canada, Japan and others. But our domestic journalism is not up to this level.

With the cultivated society we have, we should have better quality in the media. This is my general complaint, one which is shared by many people. This has been my belief for a long time. I have contributed to LA NACION since I was a high school student, and also when I was at the university. I have always liked to write. But I think that the mass media are far below the general level of our culture in quality.

[Question] What are the shortcomings of our domestic media?

[Answer] They are seen in their analyses, in yellow journalism, in the lack of pluralism. There is no pluralism in our press sector. The thinking expressed is more or less the same. The reader cannot choose among various positions. The writings of certain people will be given space on page 15 of LA NACION. But these people must share a certain ideology, and thus the reader has to choose between Don Jorge Guardia and Don Alberto Di Mare.

[Question] But Don Mario Carvajal, a member of your party, is also one of the writers.

[Answer] Well, yes, but there is not much difference. I mean that belonging to one political party or another does not make much difference.

My basic complaint is that there is no pluralism. This is the weak point in the Costa Rican democracy. For example, the citizens of Costa Rica have been giving increasing support to my international administration, because I have had numerous occasions to explain my position in this sector to them through documentaries and summaries of my speeches. I have spent a great deal of time explaining the reasons for peace, dialogue and negotiation, and the dangers of a war.

[Question] To conclude, what have been your greatest satisfaction and your greatest frustration in these first 2 years of government?

[Answer] Among the greatest satisfactions is having given Costa Rica the opportunity to be known throughout the world, thanks to a noble undertaking—preaching peace for our Central American brothers.

My greatest frustration has been the bureaucratic hindrances, the administrative paralysis, the difficulty the ordinary citizen encounters in getting his problem heard, in being served, so that his problems can be resolved. The way in which medical services are provided by the Costa Rican Social Security Fund is deficient, and the same could be said about the National Banking System. This is the reason for the importance of the competence of the private banks, which will force the state sector to be more efficient and to provide better services. I believe that the private banks have served to push the National Banking System toward renewal.

Impact of Refugees on Labor Force Analyzed
32480128a San Jose RUMBO in Spanish
26 Apr 88 pp 12-13

[Article by Armando Gonzalez Rodicio]

[Text] "I have not heard anyone who is properly discussing the subject of the refugees say that these individuals are a burden on the economy," says Rolando Gonzales Ulloa, head of the National Employment Directorate at the Ministry of Labor. Although he admits that when he began dealing with the problem he pursued a "hard line," he says that contact with the real situation has led him to see things differently.

This official noted that according to one hypothesis, the extraordinary recovery of production in San Carlos can be explained by the large volume of foreign manpower to be found in the zone. The greater part of this labor force is illegal, and a significant number of these persons are working under exploitative conditions.

"The thesis of an economic loss due to the refugees in Costa Rica is not one which can easily be sustained, even for crops such as coffee and cotton, since the refugees have been a decisive factor in our ability to advance."

With regard to the availability of manpower as such, the refugees bring in farm skills which our country is losing. "In the cotton sector," Gonzalez says, "they are ordinarily better harvesters than the Costa Ricans. With the sugar cane crop, it is the refugees and illegal foreigners who are for the most part bearing the burden of the harvest in substantial areas of Guanacaste, because the Costa Rican laborer no longer wants to do this work."

On the question as to whether domestic manpower is being forced out by the illegal workers, this official believes that everything depends on the place and the activity being analyzed. "It is not possible to generalize for the entire country," he said. If one takes as an example the San Carlos zone, where farm manpower for tasks such as planting, clearing and others is provided by refugees and illegal immigrants, the conclusion is rather that they are making a valuable contribution.

"In cases such as the area of Limon, when it is a question of going to an estate to do farm labor, the citizen of Limon is generally unwilling. And so in the most remote sites imaginable, they employ a refugee or an illegal immigrant." According to this official, if an employer is asked why he hires these people and not Costa Ricans, his answer is "because I can't get Costa Ricans." Some employers say they have searched the entire province without results, and they have asked the ministry to

publish a notice of the vacancies, or to find them Costa Rican workers from anywhere. "We complied," this official said, "and we found no one who wanted to go there to work."

"In Limon," he added, "the situation has been aggravated because on orders from the Ministry of Health, the refugee camps must be closed down, and a very large number of people have already been incorporated in the labor market in the province and have established a *modus vivendi*."

In Valle Central, the majority of the refugees are working, and the ministry has established controls, working with the Sociopolitical Analysis Center for Refugees, to keep a finger on the pulse of the situation.

"In speaking about the illegal foreigners," this official said, "I admit that the government institutions have been incapable, thus far, of controlling this vast mass of displaced workers. Despite this, both the Ministries of Government and Labor are making major efforts, and there has been extraordinary improvement in the controls in the past year and recent months."

Gonzalez Ulloa represents the Ministry of Labor on the National Migration Council, and thus has gone even deeper into the problem. He said that in the last 3 years, between 2,000 and 3,000 labor permits have been issued, and in 1988, plans call for issuing another thousand for permanent work and several thousand for seasonal work.

These last concessions will be supported by an agreement signed with the European Economic Community. The authorities plan thereby to move ahead with the regularization of the situation of the foreigners.

This official reiterated that the immigrants "came to fill gaps in occupational sectors which Costa Ricans no longer want to fill, particularly in the farm sector."

The National Employment Office has a special program for dealing with the problem of the immigrant workers. A department in the Labor Migration Section has the responsibility for its implementation. This department has the authority to approve or deny foreigners' applications for work permits.

The procedure depends on whether the applicants are among the immigrants who usually come to apply for residence or permission to work in the country, or refugees, who merit special attention.

With regard to the latter group, the Ministry of Labor has taken little action until this year. The new importance this body has taken on in this sector has the support of the UN High Commissioner for Refugees (UNHCR) and the Directorate General for Refugees (DIGEPARE), as well as the European Economic Community.

"This year looks promising," this official said, "because we are going to open offices in Perez Zeledon, Limon and San Carlos to deal with the problems of the refugees in each of these regions."

He added that in the near future, greater attention will be focused on illegal foreigners, "who represent an infinitely larger group, and one which will require a great deal of attention." 5157

Bronze, Copper Scrap Stolen, Resold to State
32480135a Havana TRABAJADORES in Spanish
25 Mar 88 p 3

[Article by Rodolfo Torres]

[Text] Recently there has been a proliferation of a crime that we absolutely cannot allow. The crime is the sale of huge amounts of nonferrous metals (bronze and copper) by the public to the purchasing offices of the Raw Materials Recycling Enterprise.

At the Jesus Menendez facility, which is an intermediary between the purchasing offices and the foundries, there are huge piles of these metals. Obviously, they have been taken from the only centers where they can be found, because the public certainly cannot have them on hand.

Enrique Echarri, administrator of the most important scrap metal recycler in Havana, also under the Raw Materials Enterprise, showed TRABAJADORES unprocessed copper ingots that could only come from foundries, copper bushings ready for machining, parts that have never been used.

Mixed in with the heaps of metal there were also large rolls of bronze sheeting, long pieces of bent and burned bronze that could have been good for something but were never used.

"In every municipality of Havana there is a purchasing office, sometimes two," stated Enrique Echarri. "They were established so that the public could sell bottles, paper, cardboard, and scrap metal there. But the range of items purchased has expanded, and certain elements saw an opportunity for crime."

Judging by the weight of some metal objects, it is obvious that they could not have been brought to the purchasing offices in shopping bags or even wheelbarrows. It would only be possible to bring them to these places in vehicles, some possibly owned by the state.

The workers at the Jesus Menendez facility added that the people who sell bent or burned materials actually burn them or bang them up to make them look used.

Echarri also indicated that these metals are ultimately intended for priority national consumption; they go mainly to the Guanabacoa hardware plant, the Sergio Gonzalez and Cepero Bonilla factories, and the Hermanos Ruiz Aboy foundry.

And although it may not seem to be the case, the purchasing offices do take control measures: "If someone comes to sell objects," he stated, "the person's full name, I.D. number, and address are taken from his I.D. card. But this information can be falsified," noted the administrator.

There may be those who, after reading about this, will think of following the easy and erroneous policy of eliminating the purchasing offices. The smartest thing to do, however, would be to impose stricter controls on this kind of metal.

It is clear that only a few industries and factories lend themselves to such controls. But it is precisely these places that need the control measures. In this way, the true people can continue selling bronze, copper, and other materials to the benefit of the country's economy.

08926

Cheating in Cane Cutting Emulation Program Described

32480135b Havana TRABAJADORES in Spanish
25 Mar 88 p 1

[Commentary by Gabino Manguela]

[Text] This commentary could begin in two ways. It could either assert that once again fraud has invaded the special emulation program in the sugar harvest, or it could claim that once again a phenomenon that is cause for criticism has actually strengthened the emulation program.

The similarities and differences between the two views are significant. We should reflect on this situation, given that cheating continues to plague the strongest emulation program of the workers' movement at a time when we are all being urged to rectify existing deficiencies.

For a long time now—specifically, since we began giving cars to the winners of the special cane cutting emulation—there have been frequent cases of sugar workers (and cane cutters mobilized from other sectors) who have to be punished and disqualified from competition due to obvious fraud.

How is this fraud carried out, the reader may ask. We can tell you that it is done most easily, because until 2 years ago the emulation program considered only the work of that cutter in the current harvest, and in many cases the individual's comrades would help him out by giving him some of their cane during the harvest. This year it's your turn, next year mine. That's the way it went.

In essence, the lucky worker increased the fulfillment of his earnings quota, but afterwards he would repay his "generous" comrades the value of the cane they had lent him.

This is how some managed to fulfill up to 600 percent of their quotas. But there came a time when the workers' movement became stricter and began to conduct thorough investigations (within its limited capacity) of all incidents of excessive quota fulfillment. Then came the disqualifications, one after another.

The number of incidents declined, and then the Central Organization of Cuban Trade Unions (CTC), in coordination with the Sugar Trade Union, decided that in awarding stimuli in the special cane cutting emulation, the worker's performance over the past 5 years would be analyzed. In other words, the person who has been the best cutter in the country for 3 years in a row could not go for the stimulus; they would have to look at 5 years.

This measure eliminated almost entirely the obvious cheating; but in the most recent inspection of the cane cutting emulation, it was noted that cane cutters with fulfillment levels of up to 457 percent were competing for the top places, without a proper technical evaluation of the quality of their work.

"We cannot allow this to happen," it was said, and all the contestants were disqualified. This was a wise decision, confirmed by the fact that none of the provinces from which the over-achievers had come protested the decision.

It would be unfair to claim that the majority of cane cutters engaged in cheating, since these men give their all to our primary industry. But it would also be dishonest if I were to deny that there have been numerous cases of cheating.

We know of excellent cane cutters who year after year have proven the worthy and shining honor of the honest, revolutionary, selfless worker; but we also know of that cutter who, after getting his car, turned into the worst cutter of his brigade, and in many cases even stopped cutting altogether.

The situation in our country demands that we be unyielding in our dealings with cheaters and those who do not measure the quality of performance. The emulation regulations, which have not always been enforced as strictly as they should, provide for such treatment. If we had been this strict from the beginning, perhaps we could have avoided these reprehensible acts.

I firmly believe that the decision to leave empty the places that should have been taken by the best cutters in the country is not an extreme measure at all; indeed, it is an indication of how far the special cane cutting emulation program has come, although it also points out how far we have to go.

Not allowing people to make a mockery of emulation is a wise decision; eliminating the factors that make it possible to mock emulation is, in turn, a responsible course of action.

Concern over CTC Authority, Effectiveness
32480133b Havana TRABAJADORES in Spanish
8 Apr 88 p 12

[Commentary by Jose Yanes]

[Text] "Does the union have authority or not?" That was the question posed by a worker to those attending an assembly to confirm and renew terms of office, held amid the process that is in full swing throughout the country. We were also present at this assembly.

This is an interesting question that the worker himself answered when he said he thought not, because often the Party had to come to the union's aid to solve major problems with management.

At the assembly in question, the matter was debated at length. But I believe it was not debated enough, considering its importance during this period of rectification and scrutiny.

Administrative Counterweight

In the structure of our social organization, there are four basic elements: management, the union, the Party, and the Communist Youth. Let's talk about the union and management.

The union has been assigned the extraordinary role of administrative counterweight in this balance of organizations. But it is not an antagonistic counterweight; rather it is a fraternal one that contributes to the lofty goal of building socialism.

It so happens that we men are not perfect. We have some erroneous ideas inherited from capitalism, and we do not always have the detachment, will, and capacity necessary to successfully carry out the tasks required to keep up with the times.

Every day we see how management violates established labor regulations, to cite just one example; every day we see how it fails to apply the financial regulations that would enable it to achieve greater productive efficiency, how it fails to use the most essential tools of management, such as accounting; every day we see how it forgets to pay attention to the individual at the center of problems in order to obtain more satisfactory results.

But we also see every day how union locals manage to subsist, if you will, on the sidelines of these vital questions. Although management does not apply the rules consistently, it has the advantage over the unions in that it is much more familiar with these rules.

I think that these new times in which we live, times of scrutiny and of throwing out the old, eliminating all the problems we face, demand a new attitude in this respect.

New Union

I think that we need a new union that can better play its role as a non-antagonistic administrative counterweight.

This would be a union that can discuss with management, because it is capable and competent to do so, the reasons why a certain labor regulation has not been enforced; a union that knows what problems each worker faces, even his personal problems, so that it can engage in a comprehensive discussion with management of each matter that affects the workers; a union that can demand the application of the regulations governing finance, costs, and proper control of resources, by implementing the established mechanisms in these disciplines.

This would be a union that would encourage management, that would help it, that would pressure it (in the best sense of the word), that would force it to behave better as a non-antagonistic counterweight. This would be a union with unquestionable, undeniable authority, an authority stemming directly from its own value and noble quality, as evinced in the vigorous discussion of every important issue in the workplace.

But to achieve this, we need to elect the most capable and interested comrades there are, the comrades who want to discuss, to put things in order (and there are such comrades in every workplace), the comrades who have a desire to learn, to read, for they will not be lacking in information.

I believe that right now, as we hold the assemblies to confirm and renew terms of office in the union locals, as we undergo this process of scrutiny, these are important ideas. At a time when we are looking deeply into many facets, we need a multi-faceted union.

We have in our hands the democracy guaranteed us by the Revolution, which enables us to elect that union. This is a beautiful, infinite, almost indescribable advantage, and we must make the most of it if we want to grow faster. Everything is in our hands. Let's elect a new union.

The newspaper for workers could even find in that new type of union a more effective ally for helping management improve its administrative and production programs. It would be a more effective ally in engaging in a massive effort, for example, a vital matter such as the battle to control resources.

These ideas are well worth expressing, but we are running out of space.

Nonetheless, we do not want to finish without telling that comrade who was wondering about the union's authority, and anyone else who might ask: The union did, does, and will have all the authority it is capable of earning. The Revolution gives it authority. The only thing it has to do is exercise that authority and demand

it with a basic knowledge of the facts and the underlying problems, applying new ideas, cultivating itself, studying, electing its best representatives.

08926

Housing Problems in Havana Described

Empty Apartments Vandalized

32480136 Havana TRABAJADORES in Spanish
26 Mar 88 p 3

[Article by Jorge Proenza Lopez]

[Text] More than 100 million people in the world lack housing; they sleep in doorways, under bridges, on abandoned plots of land, wherever they happen to be when night falls. The shortage of housing is one of the most difficult problems facing the modern world.

Cuba has devised and promoted one of the most original and effective solutions to this dilemma, a solution which it also uses to build public works projects that are necessary for the health and well-being of the population: the minibrigades.

Around these minibrigades revolves a broad mass movement that prizes efficient work with frugal and optimum utilization of resources.

Aware of our limitations and needs, the people will not allow waste or negligence, and they vehemently denounce such ills. Such is the case with the 51 vacant apartments at Alamar.

We went to that residential district to look into "the deplorable situation of two abandoned apartments." That's where we began....

Sara Campoamor Astorga, chairman of the Committee for the Defense of the Revolution (CDR) in Building SP-6, Micro 10, explained to us: "These two apartments have been like that since we came to this building about 2 years ago. They have taken the lamps, the bathroom sinks, the toilets, the faucets, the shower stalls, the kitchen sinks—in short, they have destroyed these apartments. No one lives there now, and some people use them for all kinds of purposes, even for dumping garbage."

[Question] What has been done to prevent this from happening?

"We have taken the matter to the People's Government, to the housing agency, to the CDRs, and we don't know whom else to tell.... But no one has taken any action. We have cleaned the apartments and locked them up, but people just break in again. The problem is that they are

vacant; they haven't been assigned to anyone in nearly 2 years, and since they're on the ground floor and can't be locked, and their windows are broken, anyone off the street can get in."

Odayls Martinez, who lives in Apartment 8, tells us: "Since I got here, I have seen those two apartments in that state. Several times we have gotten together in the CDR and cleaned them up, but what good does it do? Soon the cockroaches and flies are back. Listen, this is criminal, with so many people out there who need homes, and here there are two apartments, one with four rooms and the other with three. And they're in such bad condition, vacant for so long."

Other residents say the same thing.

Pascual Figueredo, sector chief of the National Revolutionary Police (PNR) in that district, gives us more specific information that arose out of a recent investigation of the matter: "In 20 buildings in two districts, 76 and 78, there are 51 apartments that have been vacant for over a year and a half. Of them, 22 are in a similar state of deterioration."

"This situation creates another problem, because people have occupied some of these apartments illegally, and are living there."

Moments later, we knocked on the door of one of these illegal residents. Juana Rodriguez told us: "I came to live here because my house was in very bad shape and I have a 2-year-old daughter."

Finally, another problem that we think deserves attention is the fact that apartments have been assigned but are not occupied by the beneficiaries. In many buildings there are several apartments that were assigned at least 2 years ago, and yet no one lives in them.

It would be worth analyzing the reasons why some people can afford to maintain a locked-up apartment while so many others live in overcrowded or inadequate housing.

It is obvious that all of these problems, which have been raised on numerous occasions by local residents, require an immediate, clear response. We think that the response, and of course the solutions, cannot wait any longer.

Completed Housing Unoccupied

32480136 Havana TRABAJADORES in Spanish
12 Apr 88 p 12

[Article by Eloy Concepcion]

[Text] Minibrigade workers of Engineering Projects Construction Enterprise (ECOI) 3 had finished the building in the Antonio Guiteras precinct in the capital municipality of East Havana: 151 quality apartments.

The assemblies had already been held in the different establishments to assign the housing. The apartments remained sealed, however, because one enterprise, Highrises, and two agencies of the People's Government, Housing and Architecture, were embroiled in a dispute over details which the People's Government officials claimed prevented the building from being declared habitable.

In Precincts 26 and 17 in the municipality of Plaza de la Revolucion, a building erected by the minibrigade workers of the Cuban Institute of Radio and Television (ICRT) was not declared habitable until a month after it was dedicated.

In the first case, the basic details were these: the construction of a "little bathroom" on the ground floor, and the removal of rubble from the area of the building.

In the case in the Plaza de la Revolucion municipality, Public Health would not allow the building to be occupied because the water pump did not have a padlock on it, while the Housing Institute help up matters because a screw was missing from the register on the stairway, and the water tanks had not been painted.

TRABAJADORES went to the Guiteras precinct to hear what those in charge of this situation had to say. Here are the highlights of a meeting that lasted several minutes and that demonstrated how low we have sunk (and are still sinking) in the swamp of red tape:

Guillermo Alfonso, the new director of the Highrise Building Enterprise, said: "The building was completed as called for in the plans. Now there are complaints that there is no service bathroom on the ground floor. We made the report and submitted it. The building is finished and the quality is fine."

Noel Fernandez, of the Housing Institute: "The 'little bathroom' was not included in the plans, but it is necessary for the people who service the building. Six months ago this error in the plans was detected. Provincial Architecture signed the report last Friday, and we have declared it habitable, but we noted the details that were missing. The Highrise Building Enterprise did not accept it, however. There is concealed rubble around the building, only about two truckloads. We have been bogged down for 3 months working out these details. The minibrigades have been affected by it."

Jesus Pages, project executor: "We have done a lot of things that were not called for in the plans. It is all paperwork: Do I put in the bathroom or not? Who does it? And meanwhile, 151 families are waiting."

Wilfredo Valiente: "Three months ago the units were assigned. Most of the residents already have their contracts. We held the assemblies, but now they can't occupy the apartments."

Raul Hernandez, an employee of the Housing Institute: "I want to make it clear that Architecture gave the go-ahead on the condition that the rubble be removed."

Conclusions of the meeting: A comrade summed it all up after that short encounter: "This is a bureaucratic mess."

08926

New Traffic Law Detailed

33480133a Havana TRABAJADORES in Spanish
8 Apr 88 p 3

[Article by Claribel Terre Morell]

[Text] The new Highway and Traffic Code will take effect on 21 April, it was revealed at a meeting at the Transportation Ministry that was chaired by Vice Minister Jesus Perez Bencomo and comrades from the National Revolutionary Police Transit Office.

At present, 1 million copies of Law 60 are on sale at COPRETEL state stores, and the seminars for professional drivers have begun in state institutions.

The new law consists of five parts: Highways, Traffic Code, Technical Condition of Vehicles and Inspection Thereof, and Driver Training. It also officially establishes the Highway Commission.

According to these officials, the code more strictly regulates traffic laws. The violation of these laws is reportedly one of the primary causes of death in Cuba.

Among the essential changes in the new code is that it doubles the amount of the fines to be imposed on citizens who commit traffic infractions after ingesting alcoholic beverages. Drivers of state vehicles will also have their license suspended for not less than 90 days and not more than 1 year in such cases, as set forth in Articles 79.1 and 79.2.

Drivers' licenses may also be suspended for 1 to 3 months for those who commit more than two infractions classified as "very dangerous" within a year, or who receive the equivalent number of points. Repeat offenders will have their licenses suspended for 3 months to a year.

Professional drivers who do not pass the reevaluation in the period specified by the appropriate agencies and the National Highway and Traffic Commission will have their licenses revoked. In addition, drivers over the age of 65 who do not appear at the office of the Driver's License Agency to submit to a medical examination every 2 years may have their licenses suspended.

Drivers' licenses are divided into categories ranging from A (for motorcycles and other similar motor vehicles) to F (motor vehicles that meet the requirements for traveling on public roadways but do not fit in any of the previous categories). To obtain a class C, D, or E license, one must have at least 2 years' experience in the category below the one being sought.

08926

ID Economic, Social Policies Discussed

Laissez-Faire Called Failure

33480152b Quito HOY in Spanish 11 May 88 p 3A

[Interview with Andres Vallejo, the national director of the campaign office of Democratic Left (ID); date and place not indicated; first four paragraphs are introduction]

[Text] The libertinism of recent years has failed, said Andres Vallejo, the national director of the campaign office of Democratic Left, adding that the state must again control key economic variables.

Vallejo made this statement during an interview in which HOY sought clearer definitions of the government program that ID has put before the country.

Besides regarding the policy of free-market prices as inappropriate for the country, Vallejo said that ID's main economic concern would be the creation of new jobs in the economy.

The following is a summary of the conversation with Vallejo:

[Question] What is your party's main economic concern?

[Answer] Creating new jobs, which requires the cooperation of private enterprise, which generates jobs by using its industrial operating capacity. The state will provide loans to the sectors that need them, to foster job-creation.

[Question] Will the mechanisms that you mention be enough?

[Answer] We are calling right now for national concert, an effort by businessmen, workers and the state to make what I have said come true.

[Question] How will you control inflation and profiteering?

[Answer] We will bolster the production of goods as the most effective way to control inflation. We will make a serious effort to improve the system of marketing essential products. We will break the chain of middlemen who exploit the producer and fleece the consumer.

[Question] How will you boost farm production?

[Answer] There will be appropriate policies to encourage growers, for example, appropriate, stable prices that mean increasing the population's consumption capacity, that give growers the assurance that what they produce will be sold.

[Question] Do you mean that free-market prices will remain in force?

[Answer] Free-market prices in a small market like ours are unrealistic. Producers require support prices to make producing attractive. Free-market prices are exploitative; that is why they are not possible.

[Question] The ID program speaks of preventing capital flight and encouraging the return of capital that has fled. How will you achieve this?

[Answer] We will provide confidence, tranquility and social peace; we will establish clear-cut ground rules and we will give production incentives.

[Question] Doesn't the inflow of foreign capital crowd out domestic capital?

[Answer] That depends on the areas into which it goes. Foreign investment is neither bad nor good in itself. It depends on the conditions and on the treatment it is accorded; it depends on the possibility of creating jobs. Foreign investment that improves the economy is welcome.

[Question] How will the state regulate the economy, because this is its role according to the ID plan?

[Answer] State involvement does not entail the existence or nonexistence of state-run enterprises. In a small market like Ecuador's the state must intervene as an authority to set certain economic variables. The libertinism of recent years has failed.

[Question] What will happen with CEPE [Ecuadorian State Petroleum Corporation]? Will it be strengthened or will it be privatized?

[Answer] The country needs an enterprise like CEPE...You're asking me a lot of questions!

[Question] The country wants answers. Government spending is excessive and causes deficits. How will you control it?

[Answer] It has, in fact, grown irresponsibly. There is no liquidity available for government spending, so we have to think about prioritizing things.... Could we end the interview?

[Question] One last question. How will you subordinate the servicing of the foreign debt to national requirements?

[Answer] Under current conditions Ecuador unquestionably cannot pay back its foreign debt. The same goes for the rest of the developing countries. We must seek conditions under which both creditors and debtors can find solutions. They could be long-term solutions, new prescriptions.

Thank you....

Economic Policy Called Center Left
33480152b Quito HOY in Spanish 16 May 88 p 2A

[Interview with economist Jaime Moncayo Garcia by Patricio Jhayya; date and place not indicated; first paragraph is introduction]

[Text] The economic policy that the Democratic Left (ID) party will pursue for the next 4 years as of 10 August of this year is neither neoliberal nor monetarist. It is an attempt to correct the mistakes that the Febres Cordero administration made in financial policy, stated Jaime Moncayo Garcia, a member of the team that drafted the ID Government Plan. Economist Moncayo Garcia granted the following interview to HOY:

[HOY] The ID Government Plan asserts that it intends to reactivate the economy with a nationalist and democratic approach. Can you explain this approach?

[JMG] If we are living in an era of crisis that is hitting the low-income sectors hard and weakening the country's production structure, our first obligation is to reactivate the economy. How? By seeking ways to restore economic growth with equity in distribution, ways that are in keeping with national realities and ideological objectives. Such growth cannot be gauged just in percentages; it must also be measured in terms of real improvements in social conditions. Therefore, one of the characteristics of this approach is to combine the economic and the social sides, to intertwine the two areas. And when we speak of democracy, we are talking about the joint responsibility of all sectors, the government not being the only one called upon to attend to problems.

[HOY] What economic model of development will your party's government impose?

[JMG] Neoliberal philosophy has been based on policies such as neoclassical monetarism, the unfettered workings of market forces, cutting back on government involvement, privileges for financial investment to the detriment of real investment, and others. If we examine the national economy closely, we will find that the current administration has largely abandoned its theoretical guidelines, and we can therefore not even pigeon-hole them as neoliberal. The ID government will not classify itself in accordance with any model, because the economic program was drafted to solve pressing national problems with realistic proposals. Our project is neither neoliberal nor monetarist; we want to correct the mistakes that the Febres Cordero administration has made in economic policy.

[HOY] How will the State regulate the economy, as the program says, and what will happen with state-run enterprises like the CEPE [Ecuadorean State Petroleum Corporation], for example?

[JMG] The constitution has clear-cut rules and establishes responsibilities in running the economy. It indicates the four sectors in this regard: government, private, mixed and community, with their respective rights and duties, and we will abide by this. The Hydrocarbons Law sets CEPE policy and must be observed.

[HOY] Could you point out some differences and similarities between what the administrations of Jaime Roldos and Osvaldo Hurtado did and the ID economic plan?

[JMG] The similarities will be found when my party's program has achieved its goals, for example, greater equity in the operation of the economy, in the distribution of benefits, which are permanent goals of the country. The differences lie in the ideological objectives that ID is pursuing. Justice with freedom must be reflected in a greater utilization of national resources for a better distribution.

[HOY] In political terms, is the economic program leftwing, rightwing or centrist?

[JMG] The party is center left, and its program is in keeping with that description.

[HOY] What will be the first economic measure that you will impose and what are you going to do with the measures of 11 August 1986?

[JMG] Those measures altered the country's exchange and credit policy, and we intend to redefine them so that they are in line with fiscal and social economic policies. Exchange policy is said to be a technical matter that concerns only those who own dollars or are exploiters, but we know that that economic policy affects all economic activities. For this reason we are promoting two things: a correlation among all policies, and seeing to it that they are a means, not an end.

[HOY] In conclusion, what is going to happen in the country during the years of your party's administration?

[JMG] I am neither a seer nor a futurist. The crisis has prompted Ecuadoreans to take an interest in economic matters, and your newspaper has helped in this regard. Therefore, I believe that all sectors will be monitoring our economic performance, which will make us stop and think about what we are doing.

Self-Help Projects Emphasized
33480152b Quito HOY in Spanish 10 May 88 p 2A

[Text] Rodrigo Borja's victory represents the triumph of a political option that speaks of the need for "concert," in contrast to options that defend and practice politics as a "final confrontation," as "war," sociologist Luis Verdesoto said yesterday during an interview with HOY in analyzing last Sunday's election returns.

Verdesoto defined the "concert" that Democratic Left (ID) is advocating not as the elimination of the differences that exist among the various political and social actors but rather as the creation of a space in which these differences can be expressed and processed at an institutional level.

"The point," Verdesoto said, "is for democracy not to totter when there are conflicts, because the conflicts are not going to disappear."

At the moment Verdesoto is the coordinator of the social aspects of the government plan of ID and director of the Manuel Cordova Institute of Political Training.

Verdesoto said that the option that ID represents is opposed to the way in which Febres Cordero viewed and practiced politics over the past 4 years and that the electorate found similarities ("kinships") with what the PRE offered.

Verdesoto said that the proposal for concert so that society's conflicts become institutional in nature does not mean that the various social sectors are going to be co-opted by the state; rather, it entails the implementation of a new political culture. "We must create a system that can process conflicts, with a view towards the political reconstruction of democracy," Verdesoto stated.

He contended that at present all of this processing of conflicts and the search for spaces for concert must have a "strong regional dimension as a prior step to their institutionalization in the state."

Self-Help To Tackle the Crisis

As a strategy for tackling the crisis in a "progressive" manner, Verdesoto proposed bolstering the capacity of social organizations, bearing the following objectives in mind:

- a) self-help as an option for meeting their needs;
- b) the institutional channeling of their demands on the state; and
- c) social cooperation between the state and the organization, in service to the people's interests.

According to Verdesoto, this strategy challenges the traditional view of public administration as a simple redistribution of the economic surplus and, therefore, as always subject to limits.

Moreover, according to Verdesoto, a center-left government always creates the possibility that new social grievances will arise, especially when they have been repressed for 4 years. If public administration continued to be conducted along the traditional lines, there would be a danger of lapsing into a sort of "grievance politics"

vis-a-vis the state, which would eventually cause the low-income sectors to become disenchanted with democracy, whereupon the system would lose support.

To illustrate this entire idea of self-help with state support, Verdesoto said that in social policy, housing for example, the question would not be how many houses public agencies could build over the next 4 years, but rather what is the capacity of the low-income sectors to build homes with government support.

Such self-help projects will be spurred and bolstered in areas such as health care, housing, production aimed at raising the country's nutritional standards, regional production and the urban informal sector.

8743

New Regional Leaders Face Lack of Resources, Organization

Funding Shortage Underscored

33480152a Quito EL COMERCIO in Spanish
3 May 88 Sec A p 4

[Editorial: "The Local Governments"]

[Text] The new mayors, prefects, councilmen and counselors of the country's various municipalities and councils have been in office since last Saturday and, by and large, are faced with similar difficulties that clash with their good intentions to seek answers to the problems of their respective jurisdictions. The main obstacle is economic, according to the reports from around the nation.

The basic problem is that local governments do not have available the funding they need to discharge their functions. This is the key issue. It causes an annoying and sometimes dangerous dependence on the central government, something that is complicated by the political or personal circumstances that are part and parcel of the country's vicissitudes. During the most recent period we clearly saw the result of disagreement between the Executive Branch and most of the provincial and municipal councils.

This can obviously happen more than once. If an administration has misgivings about local government, the city, the canton and the parish suffer the consequences. In other words, the national structure. In recent years there was the experience of the so-called executive units as a strategy for preventing the transfer of funds to municipalities and provincial councils run by opposition parties. The upshot was duplication of effort, a scattering of resources and, consequently, one more obstacle to regional planning.

There may well not be a repeat of the adversary relationship between the administration and local government during the next stage of national life. But it is also possible that it will reemerge sometime in the future,

with all of its aftermath of setbacks. What has happened recently is a very clear warning about the country's deficient internal organization and about the advisability of seeking in-depth, not temporary solutions to this problem.

Several pronouncements have been made in the case of Quito and Pichincha. For example, the new mayor of the city has expressed his interest not only in tackling present problems but also in laying a groundwork for its future development, focusing on fundamental issues and demanding a scrupulous management of funds quite independent of electoral or electioneering demands.

The new prefect, who has been discharging his responsibilities for several days, has also been underscoring his determination to serve, though he feels very acutely the problem of the council's lacking its own funds, which contrasts with the province's cumulative needs.

What is clear is that attention to the country's cities and provinces must be an invariable element in national life, above and beyond temporary disagreements and governments that come and go; in turn, moreover, the provincial municipalities and councils, acting either alone or together, must work without respite to improve their own level of funding.

Overhaul of Quito City Government

*33480152a Quito EL COMERCIO in Spanish
11 May 88 Sec A p 4*

[Editorial: "A Necessary Reorganization"]

[Text] The municipal government is retarding the city's progress because of the procedural redtape that still dominates its activities. The mayor has grasped this fact in the few short days that he has been in office and has announced a reorganization aimed at making city government efficient for the benefit of all, while respecting job stability of course.

"We do not have a cent in the till," the mayor pointed out in calling on the citizenry to cooperate in tackling the economic crisis besetting the municipality of Quito. Urgent attention is required for certain problems plaguing the city, such as filling the potholes that are everywhere, spreading at an alarming rate and posing a real danger to people and vehicles.

Procedures or systems must be simplified and streamlined. Bureaucratic sloth must be eliminated. It is unacceptable for a simple certification to take days or even weeks, with the resulting annoyance of having to keep coming back without the certainty of being waited on. The challenge is great, Rodrigo Paz has stated, but the new authorities are nonetheless ready and willing to face it for the well-being of the community.

It is easy to see faults, especially when they are as visible as in the departments in charge of tax collection. Taxpayers show up to pay, and the departments put so many demands on them that they succeed only in making them resentful and, consequently, driving them away without their being able to meet the obligation that they were prepared to fulfill.

Amid a full-fledged mechanization boom numerous errors that prompt constant complaints are still being detected. The endlessly long lines to withdraw the payment card and other similarly antiquated methods for paying what one owes are still insisted upon, causing a maddening waste of time and providing a meager yield for the Treasury. The agencies in question, including the drinking water, sewerage, etc enterprises, urgently need to be revitalized.

Preference must also be given to investments in lasting projects, not short-lived ones such as street-paving. The sewer system must meet not only present but future needs as well to avert serious difficulties in local neighborhoods. Thus it is in all aspects of municipal life.

A campaign to change the mind-set of the officials and staff of the Quito Municipal Government in favor of the city and its inhabitants must be undertaken.

Budget Slashed

33480152a Quito HOY in Spanish 13 May 88 p 1

[Editorial: "Municipal Penury"]

[Text] The situation of the Quito municipal government is distressing, said Mayor Rodrigo Paz after 12 days on the job.

The municipality is in serious economic straits. The budget has been cut to 12.1 billion sucres. Some 6 billion sucres were cut and earmarked mostly for servicing the foreign debt.

In the face of the economic crisis the new council has proposed enhancing tax collection and securing funding from overseas.

City hall has decided, for the time being, to do what is indispensable: filling the huge potholes that now riddle the streets as a result of the harsh winter and the lack of maintenance; cleaning up the city and continuing with projects.

A new top echelon of officials intends to set in motion a machine that is broken down, paralyzed and even corrupted in certain cases by influence-peddling, legalistic hairsplitting and bribery.

It bears recalling that before taking office the mayor had expressed serious objections to two contracts that represent sizable investments in the construction of the slaughterhouse/meat-packing plant and the Papallacta drinking-water project. It will now be up to the new council to make decisions on these matters. In a recent pronouncement CONADE recalled that it had objected

to the form and substance of the contracts and the loans for this.

The woes of the Quito municipal government are no more serious, in fact less so, than those of other local governments all over the country, some of which are

beset by administrative disarray and long years of instability in leadership, besides financial troubles. To begin resolving them requires great fortitude, dynamism and competence.

8743

Manley: Election Date Before Any Debate With Seaga

32980167 Kingston *THE DAILY GLEANER* in English
6 May 88 p 1

[Text] "Name the (election) date and we'll debate!"

That was the response last night of Mr Michael Manley, president of the People's National Party, to Prime Minister Edward Seaga's challenge for a public debate of their parties' plans and policies.

Mr Seaga's challenge was thrown out when he closed the budget presentations in Parliament on Tuesday. He repeated it at a Jamaica House news briefing on Wednesday.

Addressing a political meeting in Cross Roads, Kingston, last night, Mr Manley said:

"If he is so anxious for the debate, he can get it tomorrow morning—all he needs to do is to announce the election date tonight! I am ready, my ministers are ready, the team is ready! My challenge to him is, call the elections now! I say to Seaga, name the date and we'll debate!"

Mr Manley said that as soon as the talks on peace and the "code of conduct" were finalised and made public, the PNP proposed that representatives of both parties meet to plan the format for the public debates between himself and Mr Seaga and representatives of the PNP and the Jamaica Labour Party.

There should be, he said, full disclosure of facts and figures concerning the operation of the government and the Jamaican economy "required by us and not available to the public."

He called for "absolute guarantee of equal access to the media controlled by the government.

"Following the announcement of the dates for the nomination of candidates and the holding of the general elections, we will welcome the holding of public debates on terms and arrangements agreed by the two sides and in the light of all relevant facts being equally available to all parties to the debate," Mr Manley said.

He said it should include the examination of past performance and future policies.

Mr Manley said that during the 1980 elections campaign Mr Seaga "resisted all invitations to engage in a public debate with me on the plans and policies to guide Jamaica for the future. He spent his time instead running all over Jamaica with shouts of 'Deliverance,' promises of jingling, and with a document in his hand of pure political fiction. "Change Without Chaos."

"I have no need to back away from any debate with Seaga, but he may insist, and insist and insist all he likes, that debate will take place when the right time comes, the moment he announces the date of the elections," Mr Manley said.

On the ground rules for debate, Mr Manley said the PNP would insist "that they be conducted on the basis of factual, up-to-date information. This means access to all the facts and figures. We must know, for example, how much of future bauxite and alumina sales have been already pledged against borrowings which have never been disclosed to Parliament. We must know the precise levels of government indebtedness to the University of the West Indies, the National Housing Trust and so on," the PNP president said.

/12232

CTM Support of Possible Government Shift on Debt

32480150 [Editorial Report] Mexico City EXCELSIOR in Spanish of 25 May 1988 on pages 1-A, 10-A reports that Confederation of Mexican Workers (CTM) official Porfirio Camarena, speaking on behalf of the CTM on 24 May before an international colloquium entitled "Equitable Development and Strengthening the Social Sector of the Economy," stated that Mexican labor is in favor of "eliminating the straightjacket that the foreign debt has imposed on the economy and that has prevented giving speedy attention to the needs of society." Camarena, who is secretary general of the CTM's National Association of Social Enterprises, said that "as concerns the historical myopia of the international financial community, the labor-peasant movement has been very clear in reiterating its unqualified support for the government with respect to the possibility of there being a fundamental change on debt payments." Camarena also said that "few problems generate so much agreement, enthusiasm, and popular support as that of the foreign debt."

IEPES Unemployment, Underemployment Statistics

32480152 [Editorial Report] According to Mexico City EXCELSIOR in Spanish of 16 May 1988, page 5-A, the results of an estimate prepared by the Institute for Political, Economic, and Social Studies (IEPES) show that of the 24 million persons comprising the nation's economically active population, 2 million are unemployed and another 11 million are underemployed, earning less than the minimum wage and receiving no fringe benefits. According to IEPES, most of the unemployed and underemployed, who for the most part are younger

than 25 years of age, are to be found in the areas surrounding the Federal District, where the nation's economic activity is concentrated. According to EXCELSIOR, the IEPES estimate sees the numbers of unemployed and underemployed growing as a result of current economic conditions.

Flaws Found in Capital Voter Registry

32480149 [Editorial Report] According to Mexico City PROCESO in Spanish, No 602, dated 16 May 1988, pages 14-17, a study carried out by the Applied Sociology Project of the National Autonomous University of Mexico School of Political and Social Sciences has found National Voter Registry records for 11 of the Federal District's 40 electoral districts to be "unreliable" and has judged another 13 districts' records "very unreliable." It also has concluded that the records of 12 other districts are so defective as to make fraud "inevitable." The state of records in the remaining 4 districts are said to make it impossible to carry out elections there. The incidence of error is very much higher than tolerable for clean, verifiable elections, concludes the study. Sociology Professor Cuauhtemoc Rivera, who coordinated the study, is reported by PROCESO as saying that at a time when opposition parties are attracting growing numbers of citizens, electoral races are being decided by very small margins, and citizens are demanding respect for the vote, the PRI is finding voter registration records and the so-called flaws in them to be a means for assuring an outcome favorable to itself.

For related earlier reporting, see JPRS REPORT: LATIN AMERICA of 10 May 1988 (JPRS-LAM-88-017), p 48.

CAP Discusses Border Policies

Seeks Understanding With Colombia

33480141 Caracas *EL UNIVERSAL* in Spanish
7 May 88 Sec 1 p 14

[Text] Democratic Action presidential candidate, Carlos Andres Perez, completed a tight political schedule in the morning that put him in touch with his party's leaders, activists and sympathizers in the towns of El Amparo and Guasdalito in Apure State, Abejales in Tachira State and Santa Barbara in Barinas State. Former President Perez was accompanied on the swing by Deputy Teo Camargo. In Santa Barbara he was welcomed by AD Vice President Reinaldo Leandro Mora.

In each of the aforementioned towns he was received by ruling party authorities who accompanied him at the rallies.

In El Amparo and Guasdalito, as well as in Abejales, where he was heard by some 8,000 people, Andres Perez thoroughly analyzed border policy, indicating that it must be completely changed, because "it is not with an excess of police measures that problems falsely described as 'outgoing contraband' are resolved, but rather with a policy of understanding between Colombia and Venezuela, on the basis of rational integration."

"In addition, the two countries must coordinate decision-making to confront the danger of guerrillas without a purpose and the abominable crime of drug trafficking."

Visibly moved by the welcomes and by the rallies at each of the meetings, which concluded in Santa Barbara before more than 10,000 people, Carlos Andres Perez said: "The polls and the impressive way in which my campaign kicked off in San Felix, as well as this demonstration of support by my fellow countrymen from Apure, Tachira and Barinas prompt me to say that I am already the president of all Venezuelans, whose destiny I will guide as of 1989."

Carlos Andres Perez recalled his administration's accomplishments in these regions, underscoring the Uribante-Caparo dam, which was abandoned by the COPEI administration of Luis Herrera Campins and which the current Lusinchi administration once again set in motion.

He asserted that his future administration would undertake this important project for agriculture and the Apure-Orinoco river hub.

Perez voiced the opinion that "in light of the disastrous performance of the Herrera Campins administration, COPEI will never again govern." He cautioned the people of Apure not to be impressed by the sudden wealth that the oil recently discovered near Guasdalito

represents and he recalled the tragedy of many towns in the east and south of Lake Maracaibo, where the lure of oil prompted an abandonment of farming.

We must make rational use of petroleum to enrich agriculture and small and medium industry.

He asserted that he would strongly spur agriculture and would again be the president of the peasants. He pointed out emphatically that he would concern himself with the development of the border regions, criticizing the fact that their inhabitants are now suffering under harsh police measures that are by and large unjustified, as if they were second-class Venezuelans.

Reinaldo Leandro Mora, an AD senator and vice president, spoke briefly in Santa Barbara in Barinas State, indicating that "Carlos Andres Perez is called president because he cannot be called otherwise, since he was president, ran a great government and will again be president, to the good fortune of all Venezuelans."

He said in Santa Barbara that his administration undertook major roads, irrigation, general-services and health-care projects and opened many schools.

He regretted that many of these projects, especially hospitals and feeder roads, which were begun and completed during his administration, had been abandoned by the Herrera Campins administration, though some have been salvaged by the Lusinchi administration. He added that all of them and others of great interest would be completed starting in 1989.

He underscored that through great efforts President Lusinchi is leaving behind a firm foundation so that he, during his second administration, can again launch Venezuela on the road to progress on the basis of full employment. He promised to extend social benefits for the people, by providing a free glass of milk to all school-age children, by awarding more scholarships to the children of workers and peasants and by providing facilities for the development of small and medium industry.

Carlos Andres Perez said that the COPEI people are engaging in provocation because they already know that they are beaten and are therefore determined to wage a dirty campaign.

We, he added, will not respond to such provocation; on the contrary, we will wage a clean campaign, out of respect for the great Venezuelan people, and we will win cleanly, because the overwhelming majority of our people so wish, and we have always respected and always responded to their wishes.

In conclusion, CAP again called on all political organizations to coordinate their interests so that they can work in unison for the well-being of the Venezuela that we all love and that we have served since childhood.

Criticizes Lusinchi's Border Policy

33480141 Caracas EL NACIONAL in Spanish
7 May 88 Sec D p 6

[Report by Felix Reyes Yanes]

[Text] San Cristobal, 6 May—AD presidential candidate Carlos Andres Perez began his election campaign in Tachira with this criticism of the national government: "I do not agree with the border policy that the administration has pursued. I have told President Lusinchi this many times, and fortunately it is not long now before I again take up the leadership of the country and bring about a change in this regard."

The former president and candidate for the post of chief executive arrived in the Tachira town of Abejales to take part in the march and rally that his party organized for him during the swing through the Apure and Barinas plains that the national campaign command scheduled.

Speaking to the rally, which practically shut down regional government agencies because employees were given permission to attend, Carlos Andres Perez proclaimed that "our Tachira is living very troubled moments."

"Here in this land, besides the problems that plague other towns in other Venezuelan states, we have the additional problems of being situated in a border zone, and I want to say that I have been critical of the policies that our government has pursued to cope with the border problem.

"I say this," he added, "in spite of the essential solidarity between me and the administration, which is a Democratic Action administration. But I have not been satisfied with the border policies, among other things because Caracas does not realize much of what goes on in this region."

He indicated that owing to a lack of attention to regional planning, government central offices often adopt policies that are not in keeping with the peculiarities or the real facets of the problem that they seek to solve.

"I have said many times that when developing countries are confronted with unforeseen problems, they resort to police measures. This is what is happening with border policy, but repression or police action is not what resolve such conflicts; it is the economic integration of this region that is going to resolve such adverse circumstances for us," he specified.

Perez said that he has told this to President Lusinchi's administration and, without noting whether he has been heeded, added that fortunately it would not be long before he can devote his full attention to these problems.

He said that the polls, the gauges of public opinion throughout the country, what the mass media are saying and his trips to the interior of the country already portray him as the next president of Venezuela and that in light of this he has to start addressing people as the president.

"With deep concern I resent the abusive restrictions on individual liberties that are occurring in Tachira and Apure, because acts with which we do not agree are being committed under the pretext of coping with the difficulties that we are experiencing today with our neighboring sister nation of Colombia."

He said that it is true that the Venezuelan Government must see to it that our people's basic foodstuffs, which are subsidized, are not smuggled into Colombia. "It is also true that in light of the law and order situation along the Colombian border, we must see to it that the Colombian guerrillas, Colombian criminals do not come and cause problems on Venezuelan soil. All of this is true; these are sovereign rights and duties of our country, which we cannot renounce."

"But what is not right," he went on to say, "is that to achieve these goals we spread dissatisfaction and discontent among the Venezuelans who live along the border.

"A false expression has been coined here, outgoing contraband, and it is being used to try and prevent Venezuelans from Tachira from traveling to the border with products for their families' consumption. This is not the smuggling that hurts us. The dangerous contraband travels on trailers and trucks, which get through another way, undermining the morals of our officials," he stated.

He indicated that "we have to fully restore the right of the people of Tachira to travel freely through state territory, we have to fully restore the right of the people of Tachira to conduct their commercial, their production activities, with only the requirements rationally justified by the controls that a modern state must exercise along its borders."

"This is what I will do. I will do away with this excess of police measures that are so damaging the confidence and tranquillity of our people."

Perez also indicated that he would take executive action to combat the guerrillas and drug trafficking fiercely, describing the latter as a crime against humanity.

"What we have to do," he stressed, "as the joint responsibility of the two sovereignties, Venezuela's and Colombia's, is establish close cooperation among all of our military and police forces so that the border does not become a shield behind which criminals, drug traffickers and smugglers can find protection.

"The time has come for me to again take the reins of the Venezuelan Government and to attend to these problems," he noted.

8743

Reaction of Parties to Narcotics Allegations Analyzed

33480136a Caracas EL NACIONAL in Spanish
16 Apr 88 Sec A p 4

[Article by Humberto Castillo G.]

[Text] Successive reports—each increasingly bizarre—stemming from Dr Jose Vicente Rangel's allegations with regard to alleged funding of the electoral campaign by the drug traffic, and other allegations as to grave acts of corruption, have given rise to a troubling reaction of panic that has become manifest in the "political behavior" of the national leadership, which warrants scrutiny.

The allegations which have created such a stir are not new. Perhaps what is new is the fact of their reappearance just as the electoral campaign was beginning to heat up, the consequence of which has been precisely this type of reaction within the fundamental leadership of the country.

Every reaction involving panic has as its basic structure the coexistence of two possibilities in the face of a serious threat: that of escape, but also that of becoming ensnared.

In the case of Dr Rangel's allegations, these have constituted a threat to the electoral aspirations of the two parties with a real chance of coming to power: the AD and the COPEI. Both parties are fearful of being trapped by these accusations, given the difficulty of eluding them altogether, either because some of their militants may indeed be involved in these transgressions or because each anticipates that the other party will ensnare it by whatever means possible.

This fear has disrupted the behavior of the leadership of both parties, generating irrational public accusations on both sides, to the point of evoking the remark on the part of the president of the republic, Dr. Jaime Lusinchi, at one of the ceremonies commemorating the 80th anniversary of the birth of Romulo Betancourt, that "things are occurring that should not be part of the political behavior...."

This reveals the vulnerability of our democracy's political parties, which, rather than face the charge of a serious transgression that might be true, as well as the fact that admitting it might entail a significant electoral cost, seek the easiest way out: escape. But since escape routes are virtually nonexistent, the behavior of the leaders goes out of control. They forget even the minimal standards of political coexistence, and an anarchic state of "each

man for himself" pervades their every action. This translates into an unrestrained attack against the adversary, in an effort to ward off any connection whatsoever to the menacing charge.

The situation is further exacerbated by the swelling of desperation within each party. As in the case of a major disaster, no one can guarantee the respecting of standards. Pressure builds on the part of those occupying positions that are less conducive, for example, to promotion to the higher decision-making levels.

These take advantage of any suspicions concerning certain higher-ups being linked with the alleged transgressions, to start a rumor campaign in the hope of achieving personal advancement.

In the uncertainty that follows as to whether the others will await their turn, each tries to fend for himself. Weird and unexplainable accusations are leveled, disarray sets in, and mutual doubts and distrust of one another prevail. The situation degenerates, spreading confusion, and suffuses any potential solutions to the conflict. This, in turn, has the effect of intensifying the threat, thus provoking increasingly obstinate attempts to preserve the "power relationship," although still within a context of irrationality that impairs an objective perception of the situation.

Increasingly absurd behaviors make their appearance, which are frequently more dangerous than the threatening stimulus that underlies the escape effort. And in this case, the very stability of the democratic system is threatened, since, at this point, the very thing that the entire effort is aimed at safeguarding—namely, the "power relationship"—is now brought into play.

Very often, power is based on various factors that must operate concurrently in a relationship. Phenomena like those described above can completely alter this type of relationship. For example, power of the type that is accepted because the influence of the leader is considered legitimate, and which is termed "legitimate power," is weakened, as is that which is termed "referential power" and which is based on identification with the leader, whom it is sought to emulate. And lastly, they impinge upon, with the effect of lessening, a leader's capacity for penalizing another when the latter resists being influenced—that is, "coercive power." When the intensity of the threatening stimulus reaches the level of annulling this power in the fundamental political leadership of the country, its impact will necessarily bear directly on the "coercive power of the state." In the last analysis, with demoralization becoming widespread at all levels, credibility in the democratic institutions diminishing, and the perpetrators ending up as the victims, claiming that it has all been a frame-up to link them with such wrongdoing, the sole beneficiaries of this situation are the drug trafficking organizations, or the individuals indeed involved in acts of corruption.

If this type of "political behavior" continues on the part of our national leadership, the outcome can be similar to that cited by Julio Barroeta Lara in his reference to the drug traffic problem in Colombia, in "Narcodialogo Claudicante" [Lamed Narcodialogue]: Proposals to open negotiations with the traffickers, only to end up with outrageous proposals like that of legalizing the use of drugs, as in the case of the outgoing attorney general of Colombia, who started out talking in terms of negotiations, proceeded to implement this proposal "suspiciously," and in the end resigned from his high office when it was learned that one of his brothers was negotiating with one of the neighboring country's major drug traffickers.

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Banking Industry Liquidity Problems Discussed
33480136b Caracas EL NACIONAL in Spanish
7 May 88 Sec D p 9

[Text] Maracaibo—Fernando Perez Amado, president of the National Banking Association, who delivered the welcoming address to Jaime Lusinchi, president of the republic, and other dignitaries attending the inauguration of the "Zulia in a Positive Light" forum, warned that the current lack of liquidity affecting the country's banking institutions could have serious consequences for the national economy, since it puts the industrial sector's credit facilities at risk of being suspended.

"We have noted, and are deeply concerned, that, according to the indicators released by the Central Bank of Venezuela [BCV], current liquidity levels are practically the same as those of December 1987, which means that there has been no significant growth during the first 4 months of this year. The figures supplied by the BCV indicate that as of 25 April 1988 monetary liquidity had increased by not more than some 2 billion bolivars. Practically speaking, this figure is almost insignificant in terms of the national money supply as a whole, and shows, simply and clearly, that there are indeed problems."

[Question] What has the BCV done to resolve this situation?

[Answer] We are pressing the national government on the need to institute a more expansive monetary policy—one that is less restrictive and less encumbered by obstacles.

[Question] Do you think the main cause of this lack of liquidity is the BCV?

[Answer] The Central Bank of Venezuela has obviously helped to exacerbate this situation by paying very high interest rates in order to keep its monetary position openended. The BCV's actions appear to be aimed exclusively at hardening a policy of monetary restraint.

[Question] What are the likely consequences of the lack of liquidity in our banking institutions?

[Answer] The reports submitted last month by the National Banking Association and by the Banking Board as well, contain very solemn and authoritative warnings as to the grave consequences that could ensue from the restrictive monetary policy being imposed by the national government. And, at Conindustria's most recent general meeting, the Banking Association stated categorically that Venezuelan industry is currently at risk of a credit squeeze that would be extremely dangerous for the country.

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Senator Acevedo Says Border Incidents Threaten Internal Security

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3 May 88 Sec 1 p 15

[Text] Social Christian Senator Valmore Acevedo Amaya warns that it would be a serious mistake on our part to continue underestimating the incidents that are occurring at the border between Venezuela and Colombia.

Valmore analyzed the situation in depth and pointed out that even though President Lusinchi's Administration has only a few months left in office, that time is precious and should be used advantageously to take the necessary economic, political and military steps to define our border security zone and to ensure that our defense of it will be adequate to safeguard our sovereignty, preserve our internal security, and protect our agricultural and livestock producers; having established and developed their farms within our border zones, they are making a priceless contribution to the consolidation of our nationhood.

What is happening on our border with Colombia is cause for much concern. In recent weeks there have been several encounters between Colombian guerrilla groups and troops of the Venezuelan Armed Forces. These incidents have occurred because units pertaining to armed Colombian irregular groups have crossed over into Venezuelan territory and attacked military installations and outposts.

The Social Christian leader added that these incidents are taking on a special dimension, because the attacks to which he refers took place in different fronts along the border with Colombia, in zones located in the states of Apure and Zulia, almost simultaneously. They also reflect an escalation of the intensity of these incursions into our territory by Colombia's irregular armed forces.

We would be committing a grave error if we were to continue underestimating the seriousness of these incidents. These are not cases of small, scattered groups of guerrillas harassing our Venezuelan military units.

Those guerrilla organizations occupy a position of considerable importance in Colombia's political and military scenario. Far from being small isolated groups, they are real armies comprised of thousands of troops, which carry out their operations throughout a zone covering almost half the Colombian territory, and which control, with forceful authority, significant portions of our sister country's territory.

Valmore pointed out that the threat posed by those military organizations of the Colombian political groups that have embarked on the road to violence thus constitute, with their periodic incursions into our country, a real menace to the integrity of our sovereignty and our internal security.

The senator raised the following question: What are they seeking with their incursions into Venezuelan territory? A few years ago, they tried to convert a strip along the border in the zone of the state of Apure into an area for Colombian political refugees; that is, to create a kind of sanctuary in which to defend themselves against possible persecution by the Colombian Armed Forces, with a further view to creating an extended zone along both sides of the border that, under their control, would enable them to embark on new phases in their effort to take over the government not only in Colombia but also in Venezuela.

Failure to devote the required attention to this phenomenon is very dangerous. This is the way various guerrilla movements began in Southeast Asia, which, converted later into real armies, properly organized, disciplined and equipped, put those countries through terrible war-time experiences and subjected them to the domination of totalitarian governments within the orbit of the world's major communist powers.

Also underrated were the guerrilla movements that several years ago surfaced in different Central American countries and that today have converted that important

region of our continent into a dramatic and tragic arena of armed confrontations such as no one could possibly have imagined when the initial outbreaks first appeared.

He also warned that most of the officials in high positions in the present government, as well as the leaders of the political parties, are, with very few exceptions, so ardently involved in the elections that are to take place in December, that the required attention is not being given to the ongoing insurgency and armed aggression that is taking place at our border with Colombia. This state of things is being compounded by the lack of effective cooperation between the armies of our two countries. Colombian and Venezuelan authorities have held numerous meetings during the past few months and have reached agreement on several means of achieving cooperation; but the incidents of record to which I am referring in these comments, together with other known circumstances along the border zone, indicate that the necessary cooperation has not yet materialized. Meanwhile, the incursions being carried out by the guerrilla groups and originating in Colombia are affecting our sovereignty, threatening our internal security, and contributing to the creation of a dangerous climate of fear among the agricultural and livestock producers established in the border region, among whom there is a growing tendency to sell their land holdings. This is giving rise to another disastrous effect: the buying up of these rural land holdings by elements linked to the drug traffic and prepared to pay any price to obtain additional bases of operations on the Venezuelan side of the border. Despite the clear threat that this represents, our borders continue to be neglected, inasmuch as the timid measures being implemented are inadequate to deal with a situation that is threatening to spread dangerously within our national territory.